Looking ahead

Annual Comprehensive Financial Report

For Fiscal Years Ended September 30, 2024, and 2023

ON THE COVER

The Eastern Bluebird is a beautiful sight to behold. Did you know it's also the Official Bird of Fort Worth? This stunning photo, and all of the other bird photos in this edition, were taken by members of the **Fort Worth Audubon Society** (FWAS) and loaned to the Retirement Fund for this year's annual report.

FWAS members work to promote awareness, appreciation, and understanding of birds and other wildlife while preserving natural habitats. Their activities include field trips, community presentations, and monthly meetings with guest speakers. Want to learn more about the Audubon Society? Visit https://fwas.org/ The Retirement Fund is grateful to FWAS for sharing their passion and talents with us!

FORT WORTH EMPLOYEES' RETIREMENT FUND
A Fiduciary Component Unit of the City of Fort Worth, Texas

Annual Comprehensive Financial Report

For Fiscal Years Ended September 30, 2024, and September 30, 2023

Prepared by the Staff of the
Fort Worth Employees' Retirement Fund
A Fiduciary Component Unit of the City of Fort Worth
Linda Webb, Executive Director

FORT WORTH EMPLOYEES' RETIREMENT FUND

3801 Hulen St., Suite 101 Fort Worth, TX 76107
817-632-8900 fwretirement.org

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2024

Key Numbers

2024 Investment Rate of Return
16.03%

Rate of Return Since Inception
8.40%

Fund Net Position
$2.9 billion

Benefits Paid
$274.1 million

Refunds Paid
$7.3 million

Contributions from Employers
$167.7 million

Contributions from Members
$82.6 million

Benefits Recipients (City)
5,177 (41%)

Inactive Members (City)
539 (4%)

Active Members (City)
6,954

Active Members (Staff)
20

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Painted Bunting

Introductory Section

FORT WORTH EMPLOYEES' RETIREMENT FUND

Letter of

Transmittal

March 10, 2025

Board of Trustees
Fort Worth Employees' Retirement Fund
3801 Hulen Street, Suite 101
Fort Worth, Texas 76107

Dear Board Members and Plan Participants:

It is my pleasure to submit to you the Annual Comprehensive Financial Report (Annual Report) of the Fort Worth Employees' Retirement Fund (the Fund) for the fiscal years ended September 30, 2024, and 2023. Our mission is to provide retirement benefits and exceptional services while sustaining our members' trust. Responsibility for both the accuracy of the data and the completeness and fairness of its presentation rests with me and the staff of the Fund. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Fund. I trust that you and the members of the Fund will find the Annual Report helpful in understanding your retirement plan.

Accounting and Internal Controls

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) rules. The accompanying financial statements are prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments as well as statutory or contractual requirements. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

The Fund's independent auditors have audited the financial statements and issued unmodified opinions as of and for the years ended September 30, 2024, and 2023. The purpose of the audit is to give reasonable assurance to users of those financial statements, the Board, and participants of the Fund, that the financial statements present fairly, in all material respects, information regarding the Fund's Fiduciary Net Position in conformity with GAAP.

A significant responsibility of the staff is to ensure that the Fund has in place an adequate system of internal control. A system of internal control is defined as systematic measures instituted by an organization to achieve the following objectives:
1. Conduct its business in an efficient manner;
2. Safeguard its assets and resources;
3. Deter and detect errors, fraud, and theft;

4. Ensure accuracy and completeness of its accounting data;
5. Produce reliable and timely financial and management information; and
6. Promote adherence to management's policies and procedures.

These controls include design of business systems, appropriate segregation of duties and responsibilities, sound practices, and capable personnel. There are limits to internal control, such as the cost to mitigate some risks may outweigh the risk itself, internal controls may be overridden, or collusion may foil control design. I believe the Fund's internal controls are adequate and are working as designed.

Financial Information
An overview of the fiscal operations of the Fund is presented in the Management's Discussion and Analysis (MD&A) preceding the financial statements in the Financial Section. It provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Fund Overview
The Fund is comprised of two single defined benefit pension plans. The Fund covers employees of the City of Fort Worth (City Plan) and the employees of the Fund (Staff Plan). The City Plan was established by City Ordinance in 1945 and the Staff Plan was established through Administrative Rules in 2007. The Fund provides retirement, disability, and death benefits to its members. All employees of the City of Fort Worth and the Fund are members except elected officers and non-salaried appointed members of administrative boards and commissions, part-time, temporary and contract employees, and employees paid in part by another governmental agency. The two plans are comingled for investment purposes and are both administered by the 13-member Retirement Fund Board of Trustees. Each plan has a separate actuarial valuation completed each year and its own funded status based on current and projected assets and liabilities.

The Retirement Fund Board of Trustees (the Board) is comprised of four active members of the Fund, three retired members of the Fund, and six Trustees appointed by the City Council of Fort Worth, Texas. All Board members serve a two-year term commencing on September 1st; there are no term limits. The Board selects a chairperson and a vice-chairperson annually, in September.

Investments
The Fund's primary investment objective is to establish a stable, diversified investment portfolio that in the long-term, will meet or exceed the Board approved assumed actuarial rate of return in order to maintain or improve the funded status of the Fund and provide sufficient liquidity to timely pay benefits. The Trustees adopted the following key investment objectives.

- The Board's investment objective is to achieve an average long-term total rate of return which satisfies the actuarial assumed rate of return. The target actuarial rate of return is set at 7.00% including an assumed inflation rate of 2.50% and a target actuarial real rate of return of 4.50%.
- The Fund shall prudently manage overall risk through diversification, by establishing and updating a strategic asset allocation using an asset allocation model that balances return expectations and risk exposures related to institutionally investible geographies, asset classes, and investment strategies.

• The Fund shall periodically rebalance the total assets to manage active risk relative to the strategic asset allocation and various benchmarks, as well as liquidity. Rebalancing activities shall consider both the impact on the Fund and transaction cost of the activity.
• The investment activities of the Fund shall be executed in a cost-effective manner.

The Fund ended the fiscal year with a $2.9 billion fund balance and an annualized net return of 16.03%. Additionally, the Fund outperformed the actuarial assumed rate of 7.0%. For the three-year, five-year, and ten-year periods, the Fund has returned 4.65%, 8.03%, 6.87 annualized, respectively.

Actuarial Funding Status
Pursuant to the provisions of the Fund, the Board engages an independent actuarial firm to perform annual actuarial valuations. The Fund's funding objective is to ensure contributions, when combined with present assets and future investment returns, will be sufficient to meet the financial obligations to present and future retirees and beneficiaries.

Annual actuarial valuations measure the progress toward these goals, as well as the adequacy of the contribution rate. The Fund's actuary assumes that the Fund's investments will return 7.0% over the long term. The differences between the assumed and the actual investment return are phased in (smoothed) over five years yielding an actuarial value of assets.

The Actuarial Value of Assets (AVA), Actuarial Accrued Liability (AAL), and the Funded Ratio of the City and Staff Plans, based on the actuarial valuation, as of December 31, 2023, are as follows:

AVA, AAL and Funded Ratio

December 31, 2023

Plan	Assets (AVA)	Liabilities (AAL)	Funded (Ratio)
City	$ 2,827,229,055	$ 5,130,222,737	55.1%
Staff	$ 9,733,370	$ 12,248,159	79.5%

A schedule of funding progress is included in the actuarial section. The funded status of the Fund is reviewed annually. Experience studies are conducted every three to five years, with the most recent being completed through December 31, 2022. The Fund will complete another experience study within the five-year window.

Certificate of Achievement
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fund for its Annual Report for the fiscal year ended September 30, 2023. This was the fourteenth year that the Fund has earned this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of the Annual Report in a timely manner is made possible by the dedicated teamwork of the Fund's staff, under the leadership, dedication, and support of the Board. I am sincerely grateful to the Board and staff, as well as to all our professional service providers, who perform so diligently to ensure the successful operation and financial soundness of the Fund.

Respectfully submitted,

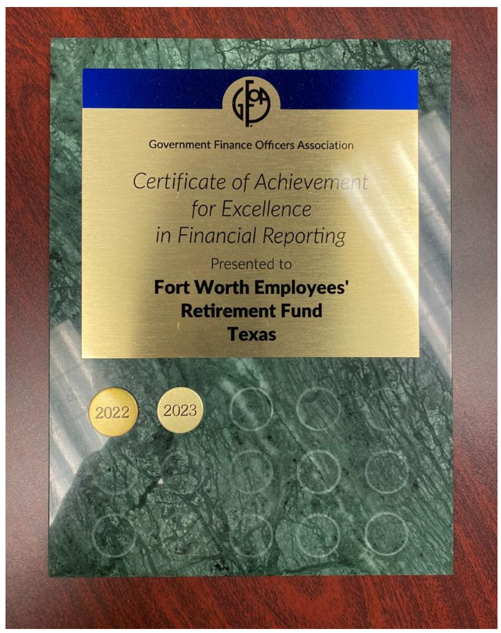
Linda Webb
Executive Director

Awards & Recognition

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023



Board of Trustees

As of September 30, 2024.

Administrative Organization

As of September 30, 2024.

Linda Webb
Executive Director

Mary Chang
General Counsel

Josiah Vencel
Executive/Legal Specialist & HR Coordinator

Derrick Dagnan
Chief Investment Officer

Branden George
Investment Officer

Cody Morton
Investment Officer

Rebecca Earley
Investments Assistant/Portfolio Analyst

Vacant
Chief Financial Officer

Karen Epp
Accounting Manager

Christian Wetshi
Senior Accountant

Melissa Welsh
Operations Assistant

Eleza Bennett
Chief Benefits Officer

Toccara Oxford
Benefits Analyst

Mary Braddock
Benefits Analyst

Carla Thom
Benefits Specialist II

Alyssa Vanesler
Benefits Specialist II

Joanna White
Benefits Specialist II

Brad Duckworth
Benefits Specialist I

Desireé Negrete
Benefits Specialist I

Jacquelyn Hubbard
Administrative Assistant

Sudie Sherrard
Administrative Assistant

Jeff Rodriguez
Public Information Officer

Professional Service Providers

Actuary
Gabriel, Roeder, Smith & Company

Auditors
Eide Bailly, LLP

Custodian
Northern Trust

Legal Counsel
DLA Piper, LLP
Jackson Walker, LLP
Ice Miller, LLP

Investment Consultants
Aksia, LLC
Verus Advisory, Inc.

For a complete list of investment managers, please refer to the Investment Section beginning on page 67. For a schedule of management fees and brokers' fees, please refer to pages 71 and 72.

SUMMARY OF KEY PROVISIONS

City Plan

Membership

An employee becomes a member upon regular employment with the City and contributes to the Fund.

Definitions

Key Terms:
- Final Average Compensation (FAC): average annual earnings over the member's highest three or five calendar years of service.
- Credited Service: length of time employed by the City of Fort Worth and making contributions to the Fund or purchased service.
- Group I – General employees hired prior to July 1, 2011.
- Group II – General employees hired on or after July 1, 2011.
- Group III – Police Officers hired prior to January 1, 2013.
- Group IV – Police Officers hired on or after January 1, 2013.
- Group V – Firefighters hired prior to January 10, 2015.
- Group VI – Firefighters hired on or after January 10, 2015.

Contributions

Contributions from Employer (City):
- Contributes 25.44% for Group I General employees and Group V Firefighters on regular retirement eligible earnings, overtime, vacation sellback, and wellness.
- Contributes 25.44% for Group II General employees and Group VI Firefighters on regular retirement eligible earnings only.
- Contributes 26.16% for Group III Police Officers on regular retirement eligible earnings, overtime, vacation sellback, and wellness.
- Contributes 26.16% for Group IV Police Officers on regular retirement eligible earnings only.

Contributions from Member (Regular City Employee):
On or after July 19, 2019:
- A Group I General employee contributes 9.35% on regular retirement eligible earnings, vacation sellback, overtime, and wellness. In addition, for the length of time the employee has service prior to October 1, 2013, they contribute an additional 0.7% on the same earnings.
- A Group II General employee contributes 9.35% on regular retirement eligible earnings and overtime.
- A Group III Police Officer contributes 10.53% on regular retirement eligible earnings, vacation sellback, overtime, and wellness.
- A Group IV Police Officer contributes 10.53% on regular retirement eligible earnings and overtime.
- A Group V Firefighter contributes 10.05% on regular retirement eligible earnings, built-in overtime, regular overtime, vacation sellback, and wellness.
- A Group VI Firefighter contributes 10.05% on regular retirement eligible earnings, built-in overtime and regular overtime.

On or after January 1, 2020:
- A Group I General employee contributes 9.35% on regular retirement eligible earnings, vacation sellback, overtime, and wellness. In addition, for the length of

time the employee has service prior to October 1, 2013, they contribute an additional 0.7% on the same earnings.
- A Group II General employee contributes 9.35% on regular retirement eligible earnings and overtime.
- A Group III Police Officer contributes 12.53% on regular retirement eligible earnings, vacation sellback, overtime, and wellness.
- A Group IV Police Officer contributes 12.53% on regular retirement eligible earnings and overtime.
- A Group V Firefighter contributes 12.05% on regular retirement eligible earnings, built-in overtime, regular overtime, vacation sellback, and wellness.
- A Group VI Firefighter contributes 12.05% on regular retirement eligible earnings, built-in overtime and regular overtime.

On or after January 1, 2021:
- A Group I General employee contributes 9.35% on regular retirement eligible earnings, vacation sellback, overtime, and wellness. In addition, for the length of time the employee has service prior to October 1, 2013, they contribute an additional 0.7% on the same earnings.
- A Group II General employee contributes 9.35% on regular retirement eligible earnings and overtime.
- A Group III Police Officer contributes 13.13% on regular retirement eligible earnings, vacation sellback, overtime, and wellness.
- A Group IV Police Officer contributes 13.13% on regular retirement eligible earnings and overtime.
- A Group V Firefighter contributes 12.05% on regular retirement eligible earnings, built-in overtime, regular overtime, vacation sellback, and wellness.
- A Group VI Firefighter contributes 12.05% on regular retirement eligible earnings, built-in overtime and regular overtime.

On or after January 1, 2022:
- A Group I General employee contributes 10.15% on regular retirement eligible earnings, vacation sellback, overtime, and wellness. In addition, for the length of time the employee has service prior to October 1, 2013, they contribute an additional 0.7% on the same earnings.
- A Group II General employee contributes 10.15% on regular retirement eligible earnings and overtime.
- A Group III Police Officer contributes 13.93% on regular retirement eligible earnings, vacation sellback, overtime, and wellness.
- A Group IV Police Officer contributes 13.93% on regular retirement eligible earnings and overtime.
- A Group V Firefighter contributes 12.85% on regular retirement eligible earnings, built-in overtime, regular overtime, vacation sellback, and wellness.
- A Group VI Firefighter contributes 12.85% on regular retirement eligible earnings, built-in overtime and regular overtime.

On or after January 1, 2023:
- A Group I General employee contributes 10.95% on regular retirement eligible earnings, vacation sellback, overtime, and wellness. In addition, for the length of time the employee has service prior to October 1, 2013, they contribute an additional 0.7% on the same earnings.
- A Group II General employee contributes 10.95% on regular retirement eligible earnings and overtime.

- A Group III Police Officer contributes 14.73% on regular retirement eligible earnings, vacation sellback, overtime, and wellness.
- A Group IV Police Officer contributes 14.73% on regular retirement eligible earnings and overtime.
- A Group V Firefighter contributes 13.65% on regular retirement eligible earnings, built-in overtime, regular overtime, vacation sellback, and wellness.
- A Group VI Firefighter contributes 13.65% on regular retirement eligible earnings, built-in overtime and regular overtime.

Vesting

Vesting occurs following five years of credited service.

Retirement Pension

Eligibility:
Normal Retirement – A member's age and years of service equal 80 points. For Group II members, the minimum retirement age is 55.
Attainment of age 65 with five or more years of service.
Early Retirement – Groups I, III, IV, V, and VI may elect an early retirement and receive a reduced pension at age 50 with five or more years of service. For Group II members, the minimum retirement age is 55 for early retirement.
Special Retirement – Groups III and IV members may retire after completing 25 years of service regardless of age or points.

Benefit Calculation:

- Groups I and III – Benefits are calculated using a multiplier of 3% of the high three FAC earnings multiplied by total credited years of service prior to October 1, 2013. From October 1, 2013 forward, benefits are calculated using a multiplier of 2.5% of the high five FAC multiplied by total credited years of service on or after October 1, 2013.
- Group V – Benefits are calculated using a multiplier of 3% of the high three FAC earnings multiplied by total credited years of service prior to January 10, 2015. From January 10, 2015 forward, benefits are calculated using a multiplier of 2.5% of the high five FAC multiplied by total credited years of service on or after January 10, 2015.
- Groups II, IV, and VI – Benefits are calculated using a multiplier of 2.5% of the high five FAC multiplied by total credited years of service.
- For members in Groups I, III, and V that were not hired or vested by October 23, 2007, the high three FAC is capped by using their fourth highest year and limiting each higher year to 12% above the preceding amount.

Payment Options:
Under normal or special retirement, a member may elect to receive between 5% and 25% of the actuarial value of their retirement benefit in a lump sum and receive a reduced monthly pension benefit.

Deferred Retirement

A member who has attained the normal retirement date may elect to remain in active service with the City and defer retirement by participating in the Deferred Retirement Option Program (DROP).

- DROP allows a member to accrue a monthly amount in their DROP account equal to what they would have received if they had retired (Retirement Pension).
- The member will receive the balance of that account at actual separation from active City employment.

- If a member remains in DROP for more than 72 months, there will no longer be accruals made to their DROP account.

Deferred Disabilty Retirement Pension

When a member is injured on or off the job, they have the option to apply for the disability benefit. Disability benefits are subject to Board approval. For Disability, the multiplier used for Groups I and III on credited service prior to October 1, 2013, and Group V on credited service prior to January 10, 2015 is 2.75%, and on or after the respective dates the multiplier on credited service is 2.25%. For Groups II, IV, and VI, the multiplier is 2.25% on credited service. If the disability was in the line of duty, the years of service are projected to normal or special retirement.

Early Retirement Pension

A vested member may elect to retire early after meeting the age requirements (see Eligibility). The multiplier for Groups I and III prior to October 1, 2013, and Group V prior to January 15, 2015 is 2.75%. On or after the respective dates the multiplier is 2.25%. For Groups II, IV, and VI, the multiplier is 2.25%. There is a penalty of 5% per year for electing this option prior to normal retirement eligibility.

Vested Terminated Pension

A member with at least five years of credited service (vested) who separates from service may choose to leave their contributions with the Fund and receive a vested termination pension benefit at a later date. Members who take a vested termination pension are not eligible to take an actuarial equivalent lump sum.

Death Benefits

Death Before Retirement:

- If a member dies in the line of duty, the surviving spouse will receive a monthly pension of 75% of the member's accrued pension benefit projected to normal retirement.
- If the death is not in the line of duty, but occurs after a member is vested, the surviving spouse will receive a monthly pension of 75% of the member's accrued unreduced pension based on actual years of credited service.

If the death is not in the line of duty and occurs before the member is vested, the surviving spouse or designated beneficiary will receive a refund of the member's contributions plus interest.

Death After Retirement:

- If a Group I, III, or V member dies after retiring, provided that member and the surviving spouse have been married for at least one year prior to member's retirement date, the surviving spouse will receive 75% of the member's current pension.
- A Group II, IV, or VI member does not have any automatic survivor benefits. They may elect to take an actuarially reduced pension at retirement to provide survivor benefits to a designated beneficiary.
- All members may elect to take an actuarially reduced pension to provide survivor benefits to a designated beneficiary, if they are unmarried at the time of retirement.

Upon Retirement:
Groups I and III for service prior to October 1, 2013, and Group V for service prior to January 10, 2015, who retire or enter DROP by January 1, 2021, by election have one of the following two options:

Cost of Living Adjustment (COLA)

- Simple 2% COLA – An annual 2% fixed increase is awarded January 1st of every year. The 2% is calculated on the original base pension and will not change.
- Ad-Hoc COLA – The annual increase is awarded on January 1st and may vary each year from 0% to 4%. The COLA amount is based on the funding status of the plan and is compounded.

Groups I and III for service on or after October 1, 2013 through July 19, 2019 and Group V on or after January 10, 2015 through July 19, 2019, have the Simple 2% COLA, if they retire or enter DROP by January 1, 2021.

Groups I, III and V for all service prior to July 19, 2019, who are not retired or enrolled in DROP on or before January 1, 2021, have a Variable COLA or 13th check subject to actuarial conditions and approval of the Fund Board of Trustees and City Council. There is no COLA for service after July 19, 2019.

Groups II, IV, and VI are not eligible for any COLA.

Summary of Key Provisions

Staff Plan

Membership

An employee becomes a member upon regular employment with the Fort Worth Employees' Retirement Fund (the Fund) and contributes to the Fund.

Definitions

Key Terms:

- Final Average Salary: average annual salary over the member's highest three calendar years of service.
- Credited Service: length of time employed by the Fund and making contributions to the Fund or purchased service.

Contributions

Employer and Member:
The Fund contributes the actuarially determined amount each year.
Members shall contribute 10.50% of their annual salary each year.

Vesting

Vesting occurs following five years of credited service.

Retirement Pension

Eligibility:
Normal Retirement - A member's age and years of service equal 80 points.
Attainment of age 65 with five or more years of service.
Early Retirement - Attainment of age 50 with five or more years of service may elect an early retirement and receive a reduced pension.

Benefit Calculation:
Benefits are calculated using a multiplier of 3% of the three-year highest average salary multiplied by total credited years of service.

Payment Options:
Under normal retirement, a member may elect to receive between 5% and 25% of the actuarial value of their retirement benefit in a lump sum and receive a reduced monthly pension benefit.

Deferred Retirement

Deferred Retirement
A member who has attained the normal retirement date may elect to remain in active service with the Fund and defer retirement by participating in DROP.
DROP allows a member to accrue a monthly amount in their DROP account equal to what they would have received if they had retired.

- The member will receive the balance of that account at actual separation from service date.
- If a member remains in DROP for more than 60 months, there will no longer be accruals made to their DROP account.

Disabiltiy Retirement Pension

When a member is injured on or off the job, they have the option to apply for the disability benefit. Disability benefits are subject to Board approval and use a 2.75% multiplier in the benefit calculation.

Staff Plan KeyProvisions CONTINUED

Early Retirement Pension

A vested member may elect to retire early after meeting the age requirements. Early retirement benefits are subject to Board approval. The multiplier is 2.75% and there is a penalty of 5% per year for electing this option prior to normal retirement eligibility.

Vested Terminated Pension

A member with at least five years of credited service (vested) who separates from service may choose to leave their contributions with the Fund and receive a vested termination pension benefit at a later date. Members who take a vested termination pension are not eligible to take an actuarial equivalent lump sum.

Death Benefits

Death Before Retirement:

- If a member dies in the line of duty, the surviving spouse will receive a monthly pension of 75% of the member's accrued pension benefit projected to normal retirement.
- If the death is not in the line of duty, but occurs after a member is vested, the surviving spouse will receive a monthly pension of 75% of the member's accrued unreduced pension based on actual years of credited service.
- If the death is not in the line of duty and occurs before the member is vested, the surviving spouse or designated beneficiary will receive a refund of the member's contributions plus interest.

Death After Retirement:

- If a member, who retired on or before September 30, 2019, dies after retiring, provided that member and the surviving spouse have been married for at least one year prior to member's retirement date, the surviving spouse will receive 75% of the member's current pension.
- If a member, who retired on or after October 1, 2019, dies after retiring, provided that member and the surviving spouse have been married for at least one year prior to member's retirement date, the surviving spouse will receive 50% of the member's current pension.
- A member who retires after October 1, 2019, may elect to take an actuarially reduced pension at retirement to increase the surviving spouse benefit.

Cost of Living Adjustment (COLA)

Upon Retirement:

As of October 1, 2019, all active employees and new hires will receive the 1% COLA beginning at age 60. Members who retired prior to October 1, 2019 receive the 2% COLA unless they were terminated prior to February 24, 2016. Terminated Vested members prior to February 24, 2016 will receive the Ad-Hoc COLA.

- Simple 2% COLA – An annual 2% fixed increase is awarded January 1st of every year. The 2% is calculated on the original base pension and will not change.
Simple 1% COLA – An annual 1% fixed increase is awarded January 1st of every year after the retired member reaches age 60. The 1% is calculated on the original base pension and will not change.
- Ad-Hoc COLA – The annual increase is awarded on January 1st and may vary each year from 0% to 4%. The COLA amount is based on the funding status of the plan and is compounded.

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Financial Section

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Independent Auditor's Report

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CPAs & BUSINESS ADVISORS

To the Board of Trustees of the
Employees' Retirement Fund of the
City of Fort Worth, Texas

Report on the Audit of the Combined Financial Statements

Opinions

We have audited the combined financial statements of the Employees' Retirement Fund of the City of Fort Worth, Texas (the Fund), a fiduciary component unit of the City of Fort Worth, Texas, as of and for the years ended September 30, 2024, and 2023, and the related notes to the combined financial statements, which collectively comprise the Fund's basic combined financial statements as listed in the table of contents.

In our opinion, the accompanying combined financial statements referred to above present fairly, in all material respects, the respective fiduciary net position of the Fund, as of September 30, 2024, and 2023, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the combined financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability (City and Staff), schedule of net pension liability, schedule of actuarially determined employer contributions, and schedule of money-weighted investment returns (collectively the required supplementary information) be presented to supplement the basic combined financial statements. Such information is the responsibility of management and, although not a part of the basic combined financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic combined financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic combined financial statements, and other knowledge we obtained during our audit of the basic combined financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the combined financial statements that collectively comprise the Fund's basic combined financial statements. The other supplementary information accompanying financial information listed as other supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic combined financial statements or to the basic combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information accompanying financial information listed as other supplementary information in the table of contents is fairly stated, in all material respects, in relation to the basic combined financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, investment, actuarial, and statistical sections but does not include the basic combined financial statements and our auditor's report thereon. Our opinions on the basic combined financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic combined financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic combined financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 19, 2024, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Fund's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
December 19, 2024

Management's Discussion & Analysis

(UNAUDITED)

The Board of Trustees (the Board) of the Employees' Retirement Fund of the City of Fort Worth, Texas (the Fund) is pleased to provide this overview and analysis of the financial performance and activities of the Fund for the fiscal years ended September 30, 2024, and 2023. We encourage readers to consider the information presented here in conjunction with the combined financial statements that follow.

Overview of Financial Statements

The Management's Discussion and Analysis is intended to serve as an introduction to the Fund's basic financial statements. The Fund's combined financial statements are composed of financial statements and notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Financial Statements

There are two basic financial statements presented within this annual report. The Combined Statements of Fiduciary Net Position as of September 30, 2024, and 2023, give a snapshot of the financial position of the Fund at a particular point in time. The Combined Statements of Changes in Fiduciary Net Position for the fiscal years ended September 30, 2024, and 2023, provide a view of the fiscal years' additions to and deductions from net position.

Notes to Financial Statements

The notes are an integral part of the basic financial statements and provide additional background information that is essential to gain a complete understanding of the data provided within the Fund's financial statements.

Required Supplementary Information

The required supplementary information consists of the Schedule of Changes in Net Pension Liability – City Plan, Schedule of Changes in Net Pension Liability – Staff Plan, the Schedule of Net Pension Liability, the Schedule of Actuarially Determined Employer Contributions and Schedule of Combined Money-Weighted Investment Returns and Notes to Required Supplementary Information.

Other Supplementary Information

The other supplementary information consists of the Schedule of Administrative Expenses, the Schedule of Investment Management Fees, and the Schedule of Professional Services.

Financial Highlights

The Fund's net position increased by $385,515,451 in fiscal year 2024, compared to an increase of $101,571,922 in 2023 and a decrease of ($326,701,765) in 2022. The Fund's increase in net position was primarily due to positive investment returns in the equity markets.

In 2024, investment income and contributions exceeded benefits payments and refunds by $394,005,792 compared to a 2023 difference of $108,926,163, and a 2022 difference of ($319,818,734). During fiscal year 2024, investment income (loss) totaled $425,098,947, compared to $219,250,407 in 2023 and ($257,553,091) in 2022.

The following table shows a summary of the Fund's combined net position.

Combined Fiduciary Net Position

September 30, 2024, 2023, and 2022

	2024	2023	2022
Assets			
Cash	$ 190,038	$ 269,800	$ 200,631
Due from Broker Securities Sold	171,083,275	196,413,593	157,790,865
Other Receivables and Prepaid Expenses	11,332,609	4,336,624	15,930,918
Investments	3,202,205,752	2,814,123,201	2,820,202,103
Capital Assets, Net	6,391,435	7,565,084	6,837,792
Total Assets	3,391,203,109	3,022,708,302	3,000,962,309
Liabilities			
Due to Broker Securities Purchased	224,005,497	242,441,929	181,436,851
Obligations Under Securities Lending	167,173,242	165,031,454	306,215,799
Other Liabilities	1,180,149	1,906,149	1,552,811
Total Liabilities	392,358,888	409,379,532	489,205,461
Net Position Restricted for Pensions	$ 2,998,844,221	$ 2,613,328,770	$ 2,511,756,848

The following table shows a summary of the Fund's combined changes in net position.

Combined Changes in Fiduciary Net Position

For Fiscal Years Ended September 30, 2024, 2023, and 2022

	2024	2023	2022
Additions			
Contributions	$ 250,272,612	$ 221,252,980	$ 203,313,198
Investment Income (Loss), Net	425,098,947	219,250,407	(257,553,091)
Total Additions	675,371,559	440,503,387	(54,239,893)
Deductions			
Benefit Payments	274,079,638	325,372,952	259,572,108
Refund of Contributions	7,286,129	6,204,272	6,006,733
Administrative Expenses	7,284,853	6,501,412	6,782,659
Depreciation	1,205,488	852,829	100,372
Total Deductions	289,856,108	338,931,465	272,461,872
Increase (Decrease) in Net Position	385,515,451	101,571,922	(326,701,765)
Net Position Restricted for Pensions, Beginning of Year	2,613,328,770	2,511,756,848	2,838,458,613
Net Position Restricted for Pensions, End of Year	$ 2,998,844,221	$ 2,613,328,770	$ 2,511,756,848

Financial Analysis

At the September 2024 fiscal year-end, the Fund had a total balance of approximately $3.0 billion. During fiscal year 2024, the Fund's investment portfolio returned 16.03% net of fees, compared to 8.30% in 2023 and -8.80% for 2022 on a time-weighted basis.

The Fund's 2024 performance was driven by higher-than-expected global economic growth and a deceleration in the growth rate of inflation off multi-decade high levels. These factors allowed for a transition from a cycle of interest rate hiking to interest rate-cutting for many developed market central banks. Ultimately, the combination of solid real GDP growth and lower interest rates led to strong performance in both the equity and fixed income markets.

The Fund's equity portfolio returned 33.07% in fiscal year 2024, versus a 31.76% return for the Global ACWI Index. This strong return follows on the high teens strong return of fiscal year 2023. The U.S. economy posted solid growth over this period, exceeding expectations that included substantial concerns of a recession. This presented a favorable environment for risk assets like public equities. Of note, for the trailing year, growth stocks outperformed value stocks, U.S. stocks outperformed international stocks, and small caps outperformed large caps.

Changes to the U.S. Federal Reserve's overnight bank rate and bond duration largely explain the returns in fixed income over the last four years. The Fed raised interest rates from essentially 0.0% in early 2022 to 5.3% by mid-2023. While other developed country central banks began cutting rates at the turn of the year, the Fed held rates constant until initiating the first cut of the cycle in September 2024.

The end of the Fed's hiking cycle has allowed long-duration fixed income assets to perform well. During fiscal year 2024, the Fund's fixed income portfolio posted a 12.57% return, compared to an 11.57% return for the Bloomberg U.S. Aggregate Bond index. This double-digit return was greatly needed following the last two years, which represented one of the worst periods in history for fixed-income returns. The impact of the Fed actions can be seen in the 15.4% return for long-duration bonds versus the 6.8% return for short-duration bonds.

The Fund's alternative asset classes provided significant diversification from the liquid traditional asset classes, but the performance was not as beneficial as in years past. Private equity had a positive return of 1.42%, which underperformed the benchmark return of 3.00%.

Diversified Opportunities also returned a positive 7.63%, driven by hedge funds and the high interest rates experienced in private credit. While the net return was beneficial overall, on a relative basis, this portfolio underperformed the benchmark return, which was 9.89%.

Real assets returned -2.95%, as high interest rates impacted credit availability, valuations, and transaction activity in real estate. Private real estate experienced a second year of adjustment, where valuations and expectations were lowered. However, exposure to commodities and infrastructure assets provided support to the real assets portfolio, which on a relative basis significantly outperformed the benchmark return of -8.04%.

Funding Progress

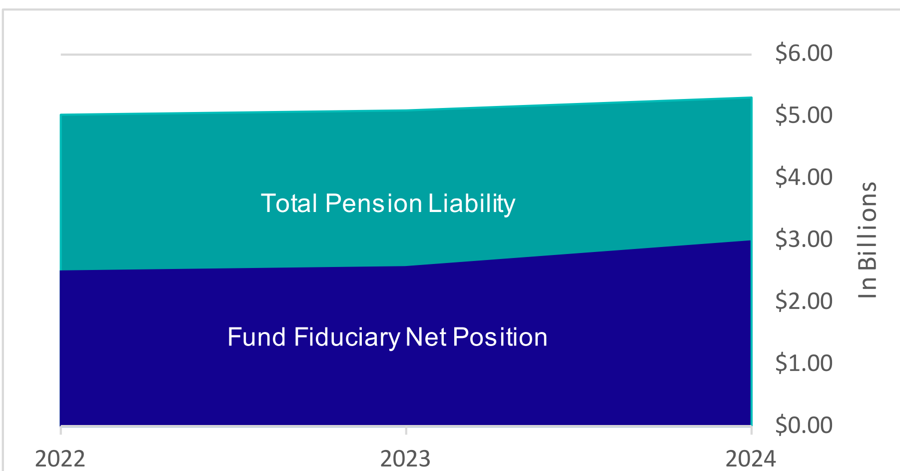
The actuarial reporting measurements as required by Governmental Accounting Standards Board (GASB) are the total pension liability, net pension liability, and fund fiduciary net position as a percentage of the total pension liability. The census data used is as of December 31, 2023, and all other measurements are calculated as of December 31, 2023, and rolled forward to September 30, 2024.

For the **City Plan,** these measurements are shown in the chart below:

Funding Progress: City Plan

Fiscal Years Ending September 30 - in billions

Year	Total Pension Liability	Fund Fiduciary Net Position	Net Pension Liability	Net Position as a Percent of Total Pension Liability
2024	$5.30	$3.00	$2.30	56.50%
2023	5.10	2.60	2.50	51.04%
2022	5.04	2.50	2.54	49.69%



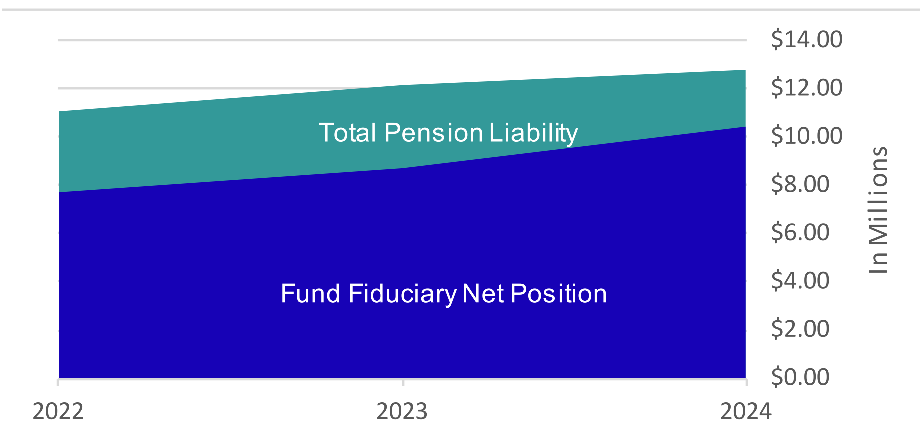
Requests for information: This financial report is designed to provide a general overview of the Fund's finances. Questions concerns any of the information provided should be addressed to the Employees' Retirement Fund of the City of Fort Worth, 3801 Hulen St., Suite 101, Fort Worth, TX. 76107.

The **Staff Plan** will also continue to be measured using an annual valuation performed at calendar year end as well as evaluated with GASB required disclosures at statement of fiducary net postion date. For the Staff Plan, these measurements are shown in the chart below:

Funding Progress: Staff Plan

Fiscal Years Ending September 30 - in millions

Year	Total Pension Liability	Fund Fiduciary Net Position	Net Pension Liability	Net Position as a Percent of Total Pension Liability
2024	$12.83	$10.47	$2.36	81.64%
2023	12.12	8.72	3.40	71.93%
2022	11.10	7.70	3.40	69.41%



Combined Statements of Fiduciary Net Position

September 30, 2024 and 2023

	City Plan 2024	Staff Plan 2024	Combined Totals 2024	City Plan 2023	Staff Plan 2023	Combined Totals 2023
Assets						
Investments in Trust, at Fair Value						
Government Obligations	$ 156,896,050	$ 550,667	$ 157,446,717	$ 141,065,693	$ 471,507	$ 141,537,200
U.S. Treasuries	132,598,076	465,387	133,063,463	83,085,272	277,709	83,362,981
Short-term Marketable Securities	150,715,691	528,976	151,244,667	190,015,026	635,118	190,650,144
Corporate Obligations	65,378,066	229,461	65,607,527	68,244,789	228,106	68,472,895
Asset and Mortgage Backed Obligations	41,402,583	145,313	41,547,896	43,029,503	143,824	43,173,327
International Obligations	16,152,637	56,692	16,209,329	13,714,344	45,840	13,760,184
Corporate Stocks	1,140,418,981	4,002,595	1,144,421,576	264,777,314	885,008	265,662,322
Exchange Traded Funds (ETF)	218,427,270	766,627	219,193,897	454,735,234	1,519,935	456,255,169
Commingled Funds	448,026,359	1,572,464	449,598,823	798,070,372	2,667,520	800,737,892
Alternative Investments	654,401,809	2,296,806	656,698,615	583,529,209	1,950,424	585,479,633
Securities Lending Collateral	166,615,725	557,517	167,173,242	164,525,718	505,736	165,031,454
Total Investments	3,191,033,247	11,172,505	3,202,205,752	2,804,792,474	9,330,727	2,814,123,201
Receivables						
Employee Contributions	1,868,253	-	1,868,253	-	-	-
Employer Contributions	3,810,464	-	3,810,464	-	-	-
Other	59,923	-	59,923	9,647	-	9,647
Accrued Income	5,558,592	18,600	5,577,192	4,292,669	13,195	4,305,864
Due From Broker Securities Sold	170,512,718	570,557	171,083,275	195,811,687	601,906	196,413,593
Total Receivables	181,809,950	589,157	182,399,107	200,114,003	615,101	200,729,104
Prepaid Expenses	16,721	56	16,777	21,048	65	21,113
Cash	189,405	633	190,038	268,973	827	269,800
Capital Assets						
Building	3,730,317	12,482	3,742,799	3,731,329	11,470	3,742,799
Land	403,649	1,351	405,000	403,759	1,241	405,000
Furniture and Equipment	262,747	879	263,626	266,779	820	267,599
Software	5,302,208	17,742	5,319,950	5,303,647	16,303	5,319,950
Total Capital Assets	9,698,921	32,454	9,731,375	9,705,514	29,834	9,735,348
Accumulated Depreciation	(3,328,801)	(11,139)	(3,339,940)	(2,163,613)	(6,651)	(2,170,264)
Capital Assets, Net	6,370,120	21,315	6,391,435	7,541,901	23,183	7,565,084
Total Assets	3,379,419,443	11,783,666	3,391,203,109	3,012,738,399	9,969,903	3,022,708,302
Liabilities						
Due to Broker Securities Purchased	223,258,446	747,051	224,005,497	241,698,970	742,959	242,441,929
Other	1,176,213	3,936	1,180,149	1,900,308	5,841	1,906,149
Obligations Under Securities Lending	166,615,725	557,517	167,173,242	164,525,718	505,736	165,031,454
Total Liabilities	391,050,384	1,308,504	392,358,888	408,124,996	1,254,536	409,379,532
Net Position Restricted for Pensions	$ 2,988,369,059	$ 10,475,162	$ 2,998,844,221	$ 2,604,613,403	$ 8,715,367	$ 2,613,328,770

The Notes to Combined Financial Statements are an integral part of these statements.

Combined Statements of Changes in Fiduciary Net Position

For Fiscal Years Ended September 30, 2024 and 2023

	City Plan	Staff Plan	Combined Totals	City Plan	Staff Plan	Combined Totals
		2024			2023	
ADDITIONS						
Investment Income (Loss)						
Net Appreciation(Depreciation) in Fair Value	$ 369,918,436	$ 1,282,279	$ 371,200,715	$ 177,112,646	$ 550,197	$ 177,662,843
Interest and Dividend Income	34,280,121	119,041	34,399,162	34,863,091	113,903	34,976,994
Less: Investment Management Fees	(3,832,538)	(13,262)	(3,845,800)	(4,010,079)	(13,101)	(4,023,180)
Other Income	22,744,001	79,108	22,823,109	10,002,382	32,814	10,035,196
Investment Income Before Securities Lending	423,110,020	1,467,166	424,577,186	217,968,040	683,813	218,651,853
Securities Lending Activities						
Securities Lending Income	649,867	2,253	652,120	745,658	2,422	748,080
Securities Lending Expenses	(129,909)	(450)	(130,359)	(149,042)	(484)	(149,526)
Net Securities Lending Income	519,958	1,803	521,761	596,616	1,938	598,554
Total Investment Income (Loss), Net	423,629,978	1,468,969	425,098,947	218,564,656	685,751	219,250,407
Contributions						
Employee Contributions	82,240,346	358,930	82,599,276	72,322,732	203,740	72,526,472
Employer Contributions	167,206,902	466,434	167,673,336	148,281,745	444,763	148,726,508
Total Contributions	249,447,248	825,364	250,272,612	220,604,477	648,503	221,252,980
TOTAL ADDITIONS	673,077,226	2,294,333	675,371,559	439,169,133	1,334,254	440,503,387
DEDUCTIONS						
Benefit Payments						
Retirement	218,346,213	448,131	218,794,344	209,237,733	234,835	209,472,568
Disability	4,915,113	-	4,915,113	5,015,207	-	5,015,207
Surviving Spouse	24,558,091	-	24,558,091	22,845,611	-	22,845,611
Actuarial Equivalent	106,446	-	106,446	459,238	-	459,238
DROP Payouts	25,705,644	-	25,705,644	87,580,328	-	87,580,328
Total Benefit Payments	273,631,507	448,131	274,079,638	325,138,117	234,835	325,372,952
Other Deductions						
Refunds/Terminations	7,228,350	57,779	7,286,129	6,149,920	54,352	6,204,272
Depreciation	1,204,994	494	1,205,488	852,380	449	852,829
Administrative	7,256,719	28,134	7,284,853	6,474,929	26,483	6,501,412
Total Other Deductions	15,690,063	86,407	15,776,470	13,477,229	81,284	13,558,513
TOTAL DEDUCTIONS	289,321,570	534,538	289,856,108	338,615,346	316,119	338,931,465
Increase (Decrease) in Net Position	383,755,656	1,759,795	385,515,451	100,553,787	1,018,135	101,571,922
Net Position Restricted for Pensions, Beginning of Year	2,604,613,403	8,715,367	2,613,328,770	2,504,059,616	7,697,232	2,511,756,848
Net Position Restricted for Pensions, End of Year	$ 2,988,369,059	$ 10,475,162	$ 2,998,844,221	$ 2,604,613,403	$ 8,715,367	$ 2,613,328,770

The Notes to Combined Financial Statements are an integral part of these statements.

Notes to Combined
Financial Statements

Note 1. Plan Description

The following description of the Employees' Retirement Fund of the City of Fort Worth, Texas (the Fund), is provided for general information purposes only. The Fund is a pension trust fund reported as a fiduciary component unit of the City of Fort Worth, Texas. Participants (or members) should refer to the Plan Documents for more information.

General

The Fund comprises two single employer defined benefit plans with commingled investments. The Fund covers employees of the City of Fort Worth (City Plan) and the employees of the Fort Worth Employees' Retirement Fund (Staff Plan). The Fund and City Plan were established by City Ordinance on September 12, 1945. The Staff Plan was established through Administrative Rules in 2007 and both plans are governed by State statute (Vernon's Civil Statutes, Title 109, Article 6243i) effective June 15, 2007. The City Plan is included in the financial statements of the City of Fort Worth.

The Fund provides retirement, disability, and death benefits to its members and beneficiaries. All employees of the City of Fort Worth and the Retirement Fund are members, except elected officers and non-salaried appointed members of administrative boards and commissions, part-time, temporary, and contract employees, and employees paid in part by another governmental agency. The plans are commingled for investment purposes, and both are administered by the 13-member Retirement Fund Board of Trustees. Each plan has a separate actuarial valuation completed each year.

The Retirement Fund Board of Trustees (the Board) is comprised of four active members of the Fund, three retired members of the Fund, and six trustees appointed by the Fort Worth City Council. All Board members serve a two-year term commencing on September 1st and annually select a chairperson and a vice-chairperson.

The Staff Plan was designed as a carve-out plan, with benefits identical to those of the General City employees (City of Fort Worth employees who are not civil service, police, or fire) in August 2007, and continues with those benefits. The Staff Plan was established in August of 2007, there were three Fund employees who were vested in the City Plan. At retirement, those employees will receive part of their retirement from the City Plan and the rest from the Staff Plan.

Since the creation of the Staff Plan, other vested members of the City Plan have been hired by the Fund. These employees also will receive part of their retirement from the respective Plan in which they earned credit. The remaining Fund employees will receive any retirement benefits due to them from the Staff Plan only. The first actuarial valuation for the Staff Plan was completed as of January 1, 2008. Changes to the Staff Plan are determined by the Board.

The City has received a favorable letter of determination from the Internal Revenue Service (IRS) that its Plan is qualified under Section 401(a) of the Internal Revenue Code. The authority to define or amend employer and employee contribution rates or benefits is given to the Fort Worth City Council (the City Council). The City Plan is a fiduciary component unit of the City of Fort Worth and is included in the City's basic financial statements.

Effective June 15, 2007, article 6243i of the Texas Revised Civil Statutes (Article 6243i) redefined the composition and structure of the Board, providing authority to the Board for benefit administration, asset investment and actuarial assumptions and authority to the Fund sponsor for benefit design and contribution percentage. Article 6243i also permitted the Board to create administrative rules that govern the administration of benefits of the Fund.

The Board may change the administrative operation of the Fund without the City's approval, while any increases to the benefit structure must be approved by the City, following an actuarial assessment. A reduction in benefits must be approved by the City and the City must notify the Board 90 days in advance of such benefit reduction.

As of September 30, 2024, and 2023, the Fund's membership consisted of the following members:

Combined Planned Membership

Years ended September 30

	City Plan		Staff Plan	
	2024	**2023**	**2024**	**2023**
Retirees currently receiving benefits	4,320	4,213	7	5
Beneficiaries currently receiving benefits	857	824	-	-
Terminated employees entitled to benefits but not yet receiving them	539	491	7	7
Terminated employees entitled to a refund	1,533	1,247	3	3
Total Non-Active Members	7,249	6,775	17	15
Active Members				
Vested	4,508	4,546	8	8
Non-vested	2,446	2,110	12	14
Total Active Members	6,954	6,656	20	22
Total Plan Membership	14,203	13,431	37	37

Vesting

Members vest in the Fund after five years of credited service. Vested members are eligible for normal retirement on the last day of the month in which the earlier of the following occurs: the member's age plus years of credited service equals 80 (Rule of 80), or the vested member reaches age 65. Members terminating employment prior to vesting are entitled to receive their contributions plus interest. Members who are vested have the option of receiving their contributions plus interest or leaving their contributions in the Fund and receiving retirement benefits as described above.

Pension Benefits

In October 2012, the City passed an ordinance change, amending the benefits for new hire Police Civil Service, and split the benefits for existing Police Civil Service and General Employees, making changes similar to the November 2010 ordinance. Existing Police and General Employees now have a different benefit calculation based on their hire date and dates of service. On September 16, 2014, and October 21, 2014, the City passed ordinance amendments, making similar changes for new hire firefighters and existing firefighters, respectively, who previously had been unchanged. On December 11, 2018, the City passed another ordinance, amending the benefits for all members. In February 2019, City employees voted to increase employee contributions.

The City Plan consists of six groups, described generally as follows:

Group I – General Employees hired prior to July 1, 2011.
Group II – General Employees hired on or after July 1, 2011.
Group III – Police Officers hired prior to January 1, 2013.
Group IV – Police Officers hired on or after January 1, 2013.
Group V – Firefighters hired prior to January 10, 2015.
Group VI – Firefighters hired on or after January 10, 2015.

A member's normal retirement date is determined using the Rule of 80, or age 65 with at least 5 years of credited service. The City has adopted a 25-year-and-out program for police officers, which allows for full (unreduced) retirement after 25 years of service, regardless of age. Group II requires a minimum age of 55 at Rule of 80 to be eligible to retire. Each of the benefits are calculated by using an average annual compensation value multiplied by years of service and a multiplier percentage. The table on the following page describes the variables for each group:

Group Number	Multiplier for Service prior to 10/01/2013	Multiplier for Service on or after 10/01/2013	Average Annual Compensation for service prior to 10/01/2013	Average Annual Compensation for service on or after 10/01/2013	Credited years of benefit service
Group I	3%	2.5%	Average of highest 3 (overtime included)	Average of highest 5 (overtime excluded)	Actual years and months of credited service
Group II	2.5%	2.5%	Average of highest 5 (overtime, wellness, vacation, and sellback excluded)	Average of highest 5 (overtime, wellness, vacation, and sellback excluded)	Actual years and months of credited service
Group III	3%	2.5%	Average of highest 3 (overtime included)	Average of highest 5 (overtime excluded)	Actual years and months of credited service
Group IV	2.5%	NA	Average of highest 5 (overtime, wellness, vacation, and sellback excluded)	Average of highest 5 (overtime, wellness, vacation, and sellback excluded)	Actual years and months of credited service

Group Number	Multiplier for Service prior to 10/01/2015	Multiplier for Service on or after 10/01/2015	Average Annual Compensation for service prior to 10/01/2015	Average Annual Compensation for service on or after 10/01/2015	Credited years of benefit service
Group V	3%	2.5%	Average of highest 3 (overtime included)	Average of highest 5 (overtime excluded)	Actual years and months of credited service
Group VI	NA	2.5%	Average of highest 5 (overtime, wellness, vacation, and sellback excluded)	Average of highest 5 (overtime, wellness, vacation, and sellback excluded)	Actual years and months of credited service

Cost of Living Adjustment (COLA)

Members of Groups I, III and V, as defined in the City ordinance, receive COLAs based on their selection of either simple 2% COLA or the ad-hoc COLA for service prior to either October 1, 2013, or January 10, 2015, depending on the group, provided they are retired or enrolled in the Deferred Retirement Option Program (DROP) on or before January 1, 2021. For members of Groups I, III and V, service on or after October 1, 2013, or January 10, 2015, through January 19, 2019, depending on the group, receives a simple 2% COLA, if retired or enrolled in DROP on or before January 1, 2021. Ad-hoc COLAs are compound and granted if the amortization period required to pay-off the unfunded liability is 28.0 years or less. If the amortization period falls between 24.1 - 28.0 years to pay off the unfunded liability the member will receive a 2% COLA, if the amortization period falls between 18.1 - 24.0 years the COLA is 3% and an amortization period below 18.0 years pays a 4% COLA.

Members who are eligible to receive a COLA, are granted that COLA on January 1 of that year. The member must be retired by September 30 of the preceding year (or in DROP) in order to be eligible. For members of Groups I, III and V who are not retired or enrolled in DROP on or before January 1, 2021, there is a Variable COLA or 13th check that applies to service prior to July 19, 2019, which is subject to actuarial conditions and approval by the Fund Board of Trustees and City Council. Groups II, IV and VI are not eligible for a COLA. There is no COLA for service after July 19, 2019, for any Group.

Deferred Retirement Option Program

If a member continues to work after the normal retirement date, the member is required to make contributions to the Fund until the date of actual retirement. Members continue to accrue credited service until they retire unless they are enrolled in the Deferred Retirement Option Program (DROP). A member who has attained the normal or special retirement date may elect to remain in active service with the City and defer retirement by participating in the DROP.

The DROP allows a member to accrue a monthly amount, into a notional account that does not earn interest, equal to what they would have received if they had retired. Retirement benefits are calculated at the DROP entry date and service and compensation beyond that date do not accrue to the benefit calculation but contributions on wages continue. The DROP account is payable when service ends and the only changes to the benefit upon the DROP exit are credit for unused applicable leave and eligible COLA increases. DROP is limited to 72 months.

In September 2007, the Board voted to allow members who have entered the DROP to leave a part or all of their DROP balance with the Fund. Members that elect this option are credited the same earnings as the Fund on a monthly basis and are subject to losses if the Plan incurs negative earnings on Fund assets. On September 8, 2022, the Board voted to revise the DROP distribution payment options and no longer apply monthly investment returns to member's DROP accounts. DROP balances for all active and inactive City Plan participants totaled $195.1 million for the fiscal year ending in 2024 and $105.6 million for the fiscal year ending in 2023.

Cash Balance

General City employees hired after July 1, 2011, will not have overtime in their high five salary calculation. Alternatively, their contributions from overtime are placed in a cash balance account and the City pays 100% matching dollars plus interest at retirement. However, as of October 1, 2013, the cash balance plan is closed, and no new contributions will be added to existing account balances.

Death and Disability Benefits

Upon the death of a retired member in Group I, III or V, the surviving spouse shall receive a monthly pension equal to 75% of the amount being paid to the retired member. If a vested member dies before retirement, the surviving spouse shall receive a monthly pension equal to 75% of the member's accrued pension, subject to certain minimum benefits. Active employees who become totally disabled while in the line of duty receive annual disability benefits that are equal to normal retirement benefits that would have accrued had the member worked to their normal retirement date. Members who become totally disabled while not in the line of duty receive disability benefits that are equal to retirement benefits that have accumulated as of the time, they become disabled, provided the member was vested. Non-vested members who become totally disabled while not in the line of duty receive a refund of contributions, plus interest.

Groups II, IV, VI and unmarried members of any group have no joint survivorship benefit, they only have the designated beneficiary actuarially neutral option. Any member may elect to have a designated beneficiary survivor benefit at 25%, 50%, 75% or 100% by reducing their current benefit, making the cost to the plan actuarially neutral.

Obligation to Contribute to the Fund

Effective the first payroll of fiscal year 2011, the City contributed to the Fund an amount equal to 19.74% of the salaries of General Employees and sworn firefighters, and 20.46% of the salaries of sworn police officers.

Effective the first payroll of calendar year 2019, the City contributed to the Fund an amount equal to 24.24% of the salaries of General Employees and sworn firefighters, and 24.96% of the salaries for sworn police officers.

Prior to July 19, 2019, as a condition of their employment and commencing on the effective date of their membership in the Fund, General Employees and sworn firefighters contributed 8.25% of their salary to the Fund, with sworn police officers contributing 8.73% of their salary.

Beginning July 19, 2019, as a condition of employment and commencing on the effective date of their membership in the Fund, General Employees contributed 9.35% of their salary to the Fund, with sworn firefighters contributing 10.05% of their salary, and sworn police officers contributing 10.53% of their salary. In addition, General employees with service prior to October 1, 2013, paid an additional 0.7% of their salary to the Fund for the length of that service until the date of their actual retirement or termination of employment.

Beginning with the first pay day after January 1, 2020, General Employees of the City contributed 9.35% of their salary to the Fund, with sworn firefighters contributing 12.05% of their salary, and sworn police officers contributing 12.53% of their salary. In addition, General employees with service prior to October 1, 2013, paid an additional 0.7% of their salary to the Fund for the length of that service.

Beginning with the first pay day after January 1, 2021, General Employees of the City contributed 9.35% of their salary to the Fund, with sworn firefighters contributing 12.05% of their salary, and sworn police officers contributing 13.13% of their salary. In addition, General employees with service prior to October 1, 2013, paid an additional 0.7% of their salary to the Fund for the length of that service.

Effective the first payroll of calendar year 2022, the City contributed to the Fund an amount equal to 25.44% of the salaries of General Employees and sworn firefighters, and 26.16% of the salaries of sworn police officers. As a condition of employment and commencing on the effective date of their membership in the Fund, General Employees contributed 10.15% of their salary to the Fund, with sworn firefighters contributing 12.85% of their salary and sworn police officers contributing 13.93% of their salary. In addition, General employees with service prior to October 1, 2013, paid an additional 0.7% of their salary to the Fund for the length of that service until the date of their actual retirement or termination of employment.

Effective the first payroll of calendar year 2023, and continuing in 2024, the City began contributing to the Fund an amount equal to 26.64% of the salaries of General Employees and sworn firefighters, and 27.36% of the salaries of sworn police officers.

At the same time, as a condition of employment and commencing on the effective date of their membership in the Fund, General Employees began contributing 10.95% of their salary to the Fund, with sworn firefighters contributing 13.65% of their salary, and sworn police officers contributing 14.73% of their salary. In addition, General employees with service prior to October 1, 2013, continue to pay an additional 0.7% of their salary to the Fund for the length of that service until the date of their actual retirement or termination of employment.

The City Council, through its budget appropriation, has the right to contribute an additional amount over and above the members' contributions. The employer and employee contribution rates are not used when the actuary determines the annual required contributions to the Fund.

Note 2. Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Fund:

Basis of Accounting

The Fund's Combined Financial Statements are prepared using the accrual basis of accounting in accordance with the standards of the Governmental Accounting Standards Board for pension trust funds. Employer and employee contributions are recognized when due, pursuant to formal commitments as well as statutory or contractual requirements. Benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. Purchases and sales of investments are recorded on a trade-date basis.

Cash and Cash Equivalents

For cash deposits and cash equivalents, the custodial credit risk is the risk that in the event of a bank failure, the Fund's deposits may not be returned. The Fund's deposits are held by Northern Trust and Frost Bank. As of September 30, 2024, and 2023, the Fund had bank balances of $190,038 and $269,800, respectively, that are in demand accounts subject to coverage by Federal Deposit Insurance Corporation (FDIC) but are not collateralized. The Fund does not have a deposit policy for custodial credit risk; however, management believes that the Fund's custodial credit risk exposure is mitigated by the financial strength of the banking institutions in which the deposits are held.

Capital Assets

Capital Assets are reported on the cost basis. The Fund provides for depreciation on the straight-line method over the estimated useful lives of the assets.

The following estimated useful lives are used in providing for depreciation and amortization:

Building: 40 years
Furniture and Equipment: 5-7 years
Software: 5 years

Capital Assets

September 30, 2024

Asset Class	10/1/2023	Additons	Retirements	9/30/2024	Beginning Depreciation/ Amortization	Current Depreciation/ Amortization	Retirements	Accumulated Depreciation/ Amortization
Building	$ 3,742,799	$ -	$ -	$ 3,742,799	$ 1,285,384	$ 103,872	$ -	$ 1,389,256
Land	405,000	-	-	405,000	-	-	-	-
Furniture and Equipment	267,599	31,838	(35,811)	263,626	166,730	25,833	(24,019)	168,544
Software	5,319,950	-	-	5,319,950	718,150	1,063,990	-	1,782,140
Total	**$ 9,735,348**	**$ 31,838**	**$ (35,811)**	**$ 9,731,375**	**$ 2,170,264**	**$ 1,193,695**	**$ (24,019)**	**$ 3,339,940**

Capital Assets

September 30, 2023

Asset Class	10/1/2022	Additons	Retirements	9/30/2023	Beginning Depreciation/ Amortization	Current Depreciation/ Amortization	Retirements	Accumulated Depreciation/ Amortization
Building	$ 3,631,938	$ 110,861	$ -	$ 3,742,799	$ 1,186,534	$ 98,850	$ -	$ 1,285,384
Land	405,000	-	-	405,000	-	-	-	-
Furniture and Equipment	267,599	-	-	267,599	130,900	35,830	-	166,730
Software	3,850,689	1,469,261	-	5,319,950	-	718,150	-	718,150
Total	**$ 8,155,226**	**$ 1,580,122**	**$ -**	**$ 9,735,348**	**$ 1,317,434**	**$ 852,830**	**$ -**	**$ 2,170,264**

Investment Policy Statement

The Board of Trustees (The Board) of the Fort Worth Employees' Retirement Fund (The Fund) has adopted an Investment Policy Statement as a framework for the investment of the Fund's assets. The authority to amend that statement rests entirely with the Board. The Investment Policy Statement was amended by the Board on August 24, 2022. A copy of the Investment Policy Statement can be found in its entirety on the Fund's website.

Valuation of Investments

Investments are stated at fair value. When available, quoted market prices are used to value investments. Investments that do not have quoted market prices are priced from information received from the external manager.

In these cases, external managers are independent investment managers that manage assets that are not held directly by the Fund. Examples of these kinds of investments are pooled real estate funds, pooled private equity investments and hedge funds. These assets are pooled and managed on behalf of a number of investors. The underlying partnerships allow for withdrawals at various times during the year as provided for by the respective underlying agreements, which may include an initial lockup period, or be subject to a gate provision or suspension of redemptions.

The Fund utilizes a variety of financial instruments in their trading strategies, which contain varying degrees of off-balance sheet risk. However, due to the nature of the Fund's investments, such risks are limited to the Fund's capital balance in each underlying partnership. Below is a listing and description of the various investments used by the Fund:

- **Broad US Equity:** Equity securities listed on a recognized US securities exchange or quoted on the NASDAQ National Market System are priced at the regular trading session's closing price on the exchange or system in which such securities are principally traded. Securities not traded on the valuation date are priced at the most recent quoted bid price.

- **Broad International Equity:** Global securities' prices are based upon primary local market quotations. Depending upon local convention or regulation, the price may represent the last sale price or the mean between the last bid and ask price at the close of the appropriate exchange or at other designated times as determined by the appropriate governing body.

- **Exchange Traded Fund (ETF):** Exchange-traded funds, or ETFs, are funds traded on exchanges that generally track a specific index. The funds are priced daily based on supply and demand.

- **Fixed Income:** Bank Loans: Bank Debt and Syndicated loans that are traded in the secondary market will be priced using a pricing vendor quote, or if unavailable, a broker quote as directed by the client or delegate. Structured loans which are bilateral or multilateral agreements between the lender and the borrower will be priced at a level to be determined by the investment manager and approved by the Fund. Based on information available to the investment manager, the Fund will rely on the investment manager to indicate the current value of the loan/debt.

- **Fixed Income:** Government/Corporate Bonds: These securities are priced by a pricing vendor on the basis of bid or mid evaluations in accordance with a region's market convention, using factors which include but are not limited to market quotations, yields, maturities, and the bond's terms and conditions. The pricing vendors use proprietary methods to arrive at the evaluated price. These prices represent the price a dealer would pay for a security (typically in an institutional round lot).

- **Real Assets, Private Equity, Diversified Opportunities:** The Fund's investments in limited partnerships are valued at estimated fair value based on the Fund's proportionate share of the partnerships' fair value as recorded by the partnership. The Fund uses information provided by the limited partnership, such as audited financial statements, periodic information on the holdings and activities and periodic statements of fair value of the limited partnership and other information accumulated by management pertinent to the investment to estimate fair value.

The limited partnerships allocate gains, losses and expenses to the partners based on the ownership percentage as described in the partnership agreements. It is the Fund's policy to use the most recent available valuation, adjusting for cash flows as necessary up until the period is closed. The closing date is consistent each year. Estimates are used by management in determining the fair value of the Fund's investments in limited partnerships. The amount received upon sale of the investments may differ significantly from the recorded amount.

There are certain market risks, credit risks, foreign exchange currency risks, or events that may subject the Fund's investment portfolio to economic changes occurring in certain industries, sectors, or geographies. Net investment income includes net appreciation in the fair value of investments, interest income, dividend income, and investment expenses. Investment expenses include custodian and management fees, and all other significant investment-related costs.

Rate of Return

The Fund uses two approaches for calculating investment returns for reporting purposes. For the fiscal years ended September 30, 2024, and 2023, the annual money-weighted return on the Fund assets, net of investment expenses, was 15.97% and 8.38%, respectively. The money-weighted return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. In addition, for the fiscal years ended September 30, 2024, and 2023, the time-weighted return on Fund assets net of fees was 16.03% and 8.30%, respectively. The time-weighted rate of return is defined as the compounded growth rate of $1 over the period being measured and is not sensitive to contributions or withdrawals.

Interest and Dividends Receivable and Due to/from Broker

Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Recording activity in such a manner results in interest and dividends receivable and is classified as accrued income on the Statements of Combined Fiduciary Net Position. The balance due to broker securities purchased and due from broker securities sold represents trades pending settlement and amounts due to foreign currency contracts.

Foreign Currency Transactions

The Fund is a party to financial instruments with off balance sheet risk, primarily foreign currency forward contracts. Forward transactions are contracts or agreements for delayed delivery of commodities, securities, or money market instruments in which the seller agrees to make delivery at a specified future date of a specified commodity or instrument, at a specified price or yield. Entering into these investments involves not only the risk of dealing with counterparties and their ability to meet the terms of the contracts, but also the risk associated with market fluctuations.

Gains and losses resulting from foreign exchange contracts (transactions denominated in a currency other than the Fund's functional currency-US dollars) are recorded by the Fund based on changes in fair values and are combined with similar transactions in the accompanying combined statements of changes in fiduciary net position and are included in net investment income (loss). The Fund structures its foreign exchange contracts and enters into certain transactions to substantially mitigate the Fund's exposure to fluctuations in foreign exchange rates.

Investment and broker accounts denominated in foreign currencies outstanding on September 30, 2024, and 2023, were converted to the Fund's functional currency at the foreign exchange rates quoted on September 30, 2024, and 2023. These foreign exchange gains and losses are included in net appreciation (depreciation) in fair value of investments in the accompanying combined statements of changes in fiduciary net position.

Use of Estimates

The preparation of Combined Financial Statements and required supplementary information in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net positions, and changes therein, the net pension liability at the date of the Combined Financial Statements, and changes therein. Actual results could differ from those estimates.

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the combined statements of fiduciary net position.

The net pension liability is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would-be material to the Combined Financial Statements.

Expenses

The Fund staff is responsible for providing or contracting with vendors to provide all administrative functions necessary for operation of the Fund. The Board approves an annual budget for the administration of the Fund and these expenses are paid from current Fund assets.

Commingled Investments

The investment assets of the defined benefit plans administered by the Fund are commingled for investment purposes. Each plan receives a proportionate investment allocation of income or loss and expenses, in accordance with calculated allocation percentages. Required Supplementary Information is presented separately for each plan.

Note 3. Net Pension Liability

The net pension liability is measured using the total pension liability less the pension plan's fiduciary net position. The total pension liability as of September 30 is based on the results of the actuarial valuation dated December 31 and rolled forward using generally accepted actuarial procedures. The total pension liability for the City Plan is calculated using the long-term expected rate of return.

For the City Plan, the net position was projected to be available to make all projected future benefit payments of current plan members. The long-term expected rate of return on Retirement Fund investments, with adjustment to account for administrative expenses, was applied to the projected benefit payments.

The following table reflects the Net Pension Liability for the City Plan:

Schedule of Net Pension Liability: City Plan

Years Ended September 30

Fiscal Year Ending 09/30	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a Percent of Total Pension Liability
City Plan				
2023	$ 5,103,442,085	$ 2,604,613,403	$ 2,498,828,682	51.04%
2024	5,289,022,329	2,988,369,059	2,300,653,270	56.50%

For the Staff Plan, the net position was projected to be available to make all projected future benefit payments of current plan members. The long-term expected rate of return on Retirement Fund investments, with adjustment to account for administrative expenses, was applied to the projected benefit payments.

The table below reflects the Net Pension Liability for the Staff Plan:

Schedule of Net Pension Liability: Staff Plan

Years Ended September 30

Fiscal Year Ending 09/30	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a Percent of Total Pension Liability
Staff Plan				
2023	$ 12,116,537	$ 8,715,367	$ 3,401,170	71.93%
2024	12,831,243	10,475,162	2,356,081	81.64%

Actuarial Methods and Assumptions

Actuarial valuations involve projections of benefit payments, contributions, and other amounts decades into the future. These projections are based on actuarial assumptions and methods adopted by the Fund's Board of Trustees. Assumptions such as salary increases, investment rates of return, retirement and disability rates, mortality, and inflation are compared against actual experience by actuarial experience studies conducted every three years. These studies assist the Fund's Board in evaluating the accuracy with which the assumptions predict actual experience.

Schedule of Significant Actuarial Assumptions

The assumptions and methods summarized below were adopted by the Board of Trustees on April 24, 2024, based on the experience investigation that covered the five-year period from January 1, 2019 through December 31, 2023. These assumptions first applied for actuarial valuation as of December 31, 2023 and the actuarially determined contribution for fiscal year ending September 30, 2024.

As of December 31, 2023

	City Plan	Staff Plan
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, 30-year closed beginning in 2018	Leveled Dollar, Layered
Remaining Amortization Period	25 years	30 years for new layers
Asset Valuation Method	Five-year smoothed fair value	Five-year smoothed fair value
Inflation	2.50%	2.50%
Salary Increases	3.25% - 28.25%	2.75% - 5.60%
Investment Rate of Return, Net of Investment Expenses	7.00%	7.00%
Retirement Age	Experience-based table of rates based on job classification and number of years since first retirement eligibility.	Experience-based table of rates based on job classification and number of years since first retirement eligibility.
Mortality	PubG-2010 Mortality Tables for General Employees and PubS-2010 Healthy Retiree Mortality Table for Police Officers and Firefighters. Generational mortality improvements from the year 2010 using the ultimate mortality improvements rates from the MP-2020 tables.	PubG-2010 Mortality Tables. Generational mortality improvements from the year 2010 using the ultimate mortality improvements rates from the MP-2020 tables.
Cost-of-Living Adjustment	A 2% cost-of-living adjustment (COLA) is assumed for all members in the guaranteed COLA program. No COLAs are assumed for members with a variable COLA. Timing of conditional Ad-Hoc COLAs is based on an open group projection.	4.0% COLAs are assumed for members participating in the Ad-Hoc COLA program.

The assumptions and methods summarized below were adopted by the Board of Trustees on May 27, 2019 based on the experience investigation that covered the three-year period from January 1, 2016 through December 31, 2018. These assumptions first applied for actuarial valuation as of December 31, 2018 and the actuarially determined contribution for fiscal year ending September 30, 2019.

As of December 31, 2022

	City Plan	Staff Plan
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, 30-year closed beginning in 2018	Leveled Dollar, Layered
Remaining Amortization Period	26 years	30 years for new layers
Asset Valuation Method	Five-year smoothed fair value	Five-year smoothed fair value
Inflation	2.50%	2.50%
Salary Increases	3.25% - 28.25%	2.75% - 5.35%
Investment Rate of Return, Net of Investment Expenses	7.00%	7.00%
Retirement Age	Experience-based table of rates based on job classification and number of years since first retirement eligibility.	Experience-based table of rates based on job classification and number of years since first retirement eligibility.
Mortality	PubG-2010 Mortality Tables for General Employees and PubS-2010 Healthy Retiree Mortality Table for Police Officers and Firefighters. Generational mortality improvements from the year 2010 using the ultimate mortality improvements rates in the 2014-2019 MP tables.	PubG-2010 Mortality Tables. Generational mortality improvements from the year 2010 using the ultimate mortality improvements rates in the 2014-2019 MP tables.
Cost-of-Living Adjustment	A 2% cost-of-living adjustment (COLA) is assumed for all members in the guaranteed COLA program. No COLAs are assumed for members with a variable COLA. Timing of conditional Ad-Hoc COLAs is based on an open group projection.	4.0% COLAs are assumed for members participating in the Ad-Hoc COLA program.

Expected Return Arithmetic Basis

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024, and 2023, are summarized in the following tables:

Target Asset Allocation and Arithmetic Real Rate of Return

As of September 30

2024

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	42.00%	4.90%
Fixed Income	16.00%	2.00%
Diversifed Opportunities	10.00%	4.26%
Real Assets	13.00%	5.96%
Private Equity	18.00%	9.50%
Cash Equivalents	1.00%	1.40%
Total	100.00%	

2023

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	42.00%	7.40%
Fixed Income	16.00%	4.30%
Diversifed Opportunities	10.00%	5.17%
Real Assets	13.00%	5.80%
Private Equity	18.00%	10.20%
Cash Equivalents	1.00%	3.30%
Total	100.00%	

Sensitivity of Net Pension Liability

The following tables present the net pension liability of the City Plan and the Staff Plan using their respective discount rates in 2024 and 2023, plus or minus 1%. The City Plan and the Staff Plan were calculated using the expected rate return of 7.00% net of investment expenses, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate.

Sensitivity of Net Pension Liability to Changes in Discount Rate

Years Ended September 30

		City Plan		Staff Plan	
Net Pension Liability		**2024**	**2023**	**2024**	**2023**
1% Decrease	**6.00%**	$ 2,931,150,605	$ 3,121,880,253	$ 4,224,036	$ 5,200,196
Discount Rate	**7.00%**	2,300,653,270	2,498,828,682	2,356,081	3,401,170
1% Increase	**8.00%**	1,774,033,838	1,980,582,409	827,894	1,935,477

Note 4. Fair Value Measurement

The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The three levels of the fair value hierarchy are based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable. Level 3 valuations are derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. Investments that use inputs that are of different levels are categorized based on the lowest level of input used to determine the fair value of the investment.

Equity investments that are classified as Level 1 are valued using prices quoted in active markets for those securities. Level 1 debt securities are U.S. treasuries and U.S. state treasuries. The U.S. state treasuries are classified as U.S. Government agencies. Commingled debt funds that are publicly traded are also included in Level 1.

Debt and derivative securities classified as Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. These debt and derivative securities have non-proprietary information that was readily available to market participants, from independent sources, which are known to be actively involved in the market. Cash and cash equivalents are short-term investments valued based on cost and accrued interest which approximates fair value.

Debt and derivative securities classified in Level 3 are valued similar to Level 2 securities but have limited bids, limited trade information, limited trade activity, pricing from multiple sources but differences in prices above an acceptable level or pricing provided by a single source. Equity securities classified as Level 3 have limited trade information. These securities are priced off last trade price or estimated off recent trades and corporate actions.

Assets listed in the Investments Measured at NAV (Net Asset Value) table are invested with managers in structures that the Fund receives values for shares held in the investment structure with the manager. The liquidity of these structures is listed in the table.

Equity Investments – This consists of one Commingled Emerging Market Fund that is actively managed. The fund invests in Emerging Market Funds and is growth focused.

Absolute Return – This category consists of several different styles of funds as well as different liquidity structures. When redeeming from these funds, there is typically a notice period ranging from one to three months' notice and funds can hold back a small portion of the assets until an annual audit is conducted. In some cases, managers designate particular investments as longer hold periods than the funds liquidity schedule, in these cases they side pocket the investment, and these assets are not available immediately upon redemption.

Directional funds include an investment in one fund that invests in a directional nature based on their views of markets, at times this fund may invest without a directional bias. The directional fund is redeemable on a quarterly basis.

Equity Long/Short funds include investments in two funds. Equity long/short funds maintain some level of market exposure by investing in US or global equities both long and short with the level of exposure varying over time.

Event-driven funds include investments in three funds. These funds seek to gain an advantage from pricing inefficiencies that may arise based on corporate actions or events which may change the nature of the underlying investment. The nature of event driven investments often restricts the liquidity of those investments.

Multi-Strategy funds include investments in five funds. These funds invest in multiple strategies in order to diversify risks and reduce volatility. Three funds in this category have been redeemed, with the remaining assets either audit holdback or side-pocketed assets waiting for liquidation.

Alternative Assets – This category includes Private Equity, Private Credit, and Real Estate Core, which consists of limited partnership structures that invest in companies or real estate which allow for limited or no liquidity for the investor.

Private Equity partnerships consists of funds that invest in buyouts, growth equity, venture capital, and special situations. There are 100 partnerships in this category and these partnerships are typically structured with a life from 7-12 years and are considered illiquid.

Private Credit investments consist of loans, bonds, and other credit instruments issued to private companies by non-bank lenders. Funds in this category utilize a limited partnership structure that invest in pools of credit which allow for limited or no liquidity for the investor. Categories of investment in this area include direct lending, mezzanine, opportunistic, and distressed debt. Investors receive return in the form of interest payments on the debt as well as when the underlying loans mature or are sold by the manager. There are 13 partnerships in this category. These partnerships are typically structured with a life from 7-12 years and are considered illiquid.

Real Estate Core partnerships invest in highly leased, over-leveraged properties that provide consistent income to the investors. There are 4 partnerships in this category. These funds allow for quarterly liquidity to the investors. A redemption has been submitted from one of these managers, however, a gate has been implemented by the manager, restricting the flow of redemption proceeds as the manager pursues liquidation of some of the fund assets to meet the investors who have requested redemptions.

Real Estate – Non-Core partnerships invest in properties that require some kind of development or improvements to improve the position of the property. There are 13 partnerships in this category and these partnerships are typically structured with a life from 7-12 years and are considered illiquid. As properties are sold out of the partnership, assets are returned to the investors.

Investments and Derivative Instruments Measured at Fair Value 2024

September 30, 2024

Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3
Short-Term Securities	$ 318,417,909	$ -	$ 318,417,909	$ -
Debt Securities				
Collateralized Debt Obligations	25,334,431	-	17,602,867	7,731,564
Commercial Mortgage-Backed Securities	16,213,465	-	14,662,410	1,551,055
Corporates	65,408,527	-	65,370,540	37,987
Debt Other	199,000	-	199,000	-
Exchange Traded Funds (ETF)	72,310,702	72,310,702	-	-
Municipals	2,004,935	-	2,004,935	-
Non U.S. Government	16,209,329	-	16,209,329	-
U.S. Government Agencies	155,441,782	1,444,219	152,122,024	1,875,539
U.S. Treasuries	133,063,463	133,063,463	-	-
Total Debt Securities	486,185,634	206,818,384	268,171,105	11,196,145
Equity Securities				
Communication Services	93,139,734	93,139,734	-	-
Consumer Discretionary	116,425,406	116,425,406	-	-
Consumer Staples	58,386,404	58,386,404	-	-
Energy	55,983,737	55,983,737	-	-
Equity Other	50,858,245	50,858,245	-	-
Exchange Traded Funds (ETF)	146,883,195	146,883,195	-	-
Financials	165,423,753	165,423,753	-	-
Health Care	126,276,799	126,276,799	-	-
Industrials	134,683,645	134,683,633	-	12
Information Technology	311,523,020	311,431,185	-	91,835
Materials	33,689,087	33,689,087	-	-
Real Estate	20,154,930	20,154,930	-	-
Utilities	28,735,060	28,735,060	-	-
Total Equity Securities	1,342,163,015	1,342,071,168	-	91,847
Investments Measured at Net Asset Value				
Commingled Emerging Market Equity Fund	50,773,153			
Absolute Return	199,068,400			
Private Equity	377,503,818			
Private Credit	78,182,521			
Real Estate - Core	157,862,849			
Real Estate - Non Core	192,048,453			
Total Investments Measured at Net Asset Value	**1,055,439,194**			
Total Investments by Fair Value Level	**$ 3,202,205,752**	**$ 1,548,889,552**	**$ 586,589,014**	**$ 11,287,992**
Investment Derivative Instruments				
Swaps	$ 193,434	$ -	$ 193,434	$ -
FX Forwards	(288,559)	-	(288,559)	-
Total Investment Derivative Instruments	**$ (95,125)**	**$ -**	**$ (95,125)**	**$ -**

Investments and Derivative Instruments Measured at NAV 2024

September 30, 2024

Investments Measured at Net Asset Value	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Equity Investments				
Commingled Emerging Market Equity Fund	$ 50,773,153	$ -	Daily	1 day
Total Equity Investments	50,773,153	-		
Absolute Return				
Directional	33,300,903	-	Quarterly	75 days
Equity Long/Short	60,709,785	-	Quarterly	45 days
Event Driven	77,254,101	-	Quarterly, Annually, 3 years	45-90 days
Multi-Strategy	27,803,611	-	Annually, Biennial	45-90 days
Total Absolute Return Investments	199,068,400	-		
Other Assets at Net Asset Value				
Private Equity	377,503,818	306,203,022	Not eligible	N/A
Private Credit	78,182,521	77,348,839	Not eligible	N/A
Real Estate - Core	157,862,849	-	Quarterly	60-90 days
Real Estate - Non Core	192,048,453	94,697,414	Not eligible	N/A
Total Other Assets at Net Asset Value	805,597,641	478,249,275		
Total Investments Measured at Net Asset Value	**$ 1,055,439,194**	**$478,249,275**		

Investments and Derivative Instruments Measured at Fair Value 2023

September 30, 2023

Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3
Short-Term Securities	$ 355,681,598	$ 15,107,225	$ 340,574,373	$ -
Debt Securities				
Collateralized Debt Obligations	24,023,401	-	17,016,706	7,006,695
Commercial Mortgage-Backed Securities	19,149,926	-	15,505,416	3,644,510
Corporates	68,472,895	-	68,472,297	598
Exchange Traded Funds (ETF)	28,052,115	28,052,115	-	-
Municipals	2,586,992	-	2,586,992	-
Non U.S. Government	13,760,184	-	13,760,184	-
U.S. Government Agencies	138,950,208	-	137,055,598	1,894,610
U.S. Treasuries	83,362,981	83,362,981	-	-
Total Debt Securities	378,358,702	111,415,096	254,397,193	12,546,413
Equity Securities				
Communication Services	5,602,653	5,602,653	-	-
Consumer Discretionary	23,026,177	23,026,177	-	-
Consumer Staples	6,921,205	6,921,205	-	-
Energy	19,463,500	19,463,500	-	-
Equity Other	17,994,290	17,994,290	-	-
Exchange Traded Funds (ETF)	428,203,055	428,203,055	-	-
Financials	31,570,625	31,570,625	-	-
Health Care	25,680,955	25,680,955	-	-
Industrials	37,441,908	37,350,062	-	91,846
Information Technology	32,073,691	32,073,691	-	-
Materials	9,425,900	9,425,900	-	-
Real Estate	2,193,980	2,193,980	-	-
Utilities	2,807,563	2,807,563	-	-
Total Equity Securities	642,405,502	642,313,656	-	91,846
Investments Measured at Net Asset Value				
Commingled Global Equity Fund	445,803,580			
Commingled Emerging Market Equity Fund	51,459,874			
Absolute Return	192,885,332			
Private Equity	357,184,036			
Private Credit	35,410,265			
Real Estate - Core	166,630,844			
Real Estate - Non Core	188,303,468			
Total Investments Measured at Net Asset Value	**1,437,677,399**			
Total Investments by Fair Value Level	**$ 2,814,123,201**	**$ 768,835,977**	**$ 594,971,566**	**$ 12,638,259**
Investment Derivative Instruments				
Swaps	$ 546,106	$ 546,106	$ -	$ -
Rights and Warrants	18,344	18,344	-	-
Futures	(5,500)	(5,500)	-	-
FX Forwards	(6,860)	-	(6,860)	-
Total Investment Derivative Instruments	**$ 552,090**	**$ 558,950**	**$ (6,860)**	**$ -**

Investments and Derivative Instruments Measured at NAV 2023

September 30, 2023

Investments Measured at Net Asset Value	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Equity Investments				
Commingled Global Equity Fund	$ 445,803,580	$ -	Daily	1 day
Commingled Emerging Market Equity Fund	51,459,874	-	Daily	1 day
Total Equity Investments	497,263,454	-		
Absolute Return				
Directional	28,732,090	-	Quarterly	75 days
Equity Long/Short	53,756,364	-	Quarterly	45 days
Event Driven	84,364,270	-	Quarterly, Annually, 3 years	45-90 days
Multi-Strategy	26,032,608	-	Annually, Biennial	45-90 days
Total Absolute Return Investments	192,885,332	-		
Other Assets at Net Asset Value				
Private Equity	357,184,036	253,875,714	Not eligible	N/A
Private Credit	35,410,265	94,078,850	Not eligible	N/A
Real Estate - Core	166,630,844	-	Quarterly	60-90 days
Real Estate - Non Core	188,303,468	101,440,663	Not eligible	N/A
Total Other Assets at Net Asset Value	747,528,613	449,395,227		
Total Investments Measured at Net Asset Value	**$ 1,437,677,399**	**$449,395,227**		

Note 5. Investments

Substantially all of the Fund's investments are held by its custodian. The Retirement Fund Board of Trustees authorizes various external managers to manage investments within certain policies as set forth by the Board. These policies mandate a diversified portfolio, which includes investments, either directly or in commingled accounts, in real estate, fixed income securities, and equity securities.

Governmental Accounting Standards Board Statement No. 40 *Deposit and Investment Risk Disclosures – an amendment to GASB Statement No. 3* (GASB 40), addresses common deposit and investment risks including custodial credit risk, credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Required disclosures related to these risks are presented below:

Custodial Credit Risk

Custodial credit risk is the risk that in the event of failure of the counterparty, the Fund would not be able to recover the value of its investments. The Fund does not have a formal policy for custodial credit risk. As of September 30, 2024, and 2023, all investments are registered in the name of the Employees' Retirement Fund of the City of Fort Worth, Texas, or in the name of the Fund's custodian, established through a master trust custodial agreement, with the exception of investments in alternative investments and commingled funds.

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund's investment policy requires that fixed income securities have a weighted average of no less than investment grade, as rated by Moody's or Standard & Poor's (S&P). However, the policy does provide for high yield fixed income managers to invest in securities with S&P ratings between BB+ and CCC. The policy limits 25% of a manager's portfolio to be rated CCC or lower. Unrated securities should be limited to no more than 20% of a manager's portfolio.

GASB 40, *Deposit and Investment Risk Disclosures*, does not require disclosure of US government obligations explicitly guaranteed. The table below shows the credit ratings of the Fund's investments as of September 30, 2024, and 2023.

Credit Risk Analysis

September 30, 2024 and 2023

Investment Type	S&P Rating	2024 Fair Value	2023 Fair Value
Asset and Mortgage Backed Obligations	AAA	$ 19,482,834	$ 26,114,439
Asset and Mortgage Backed Obligations	AA	4,424,171	2,126,762
Asset and Mortgage Backed Obligations	A	4,181,700	4,594,157
Asset and Mortgage Backed Obligations	BBB	1,998,074	1,191,502
Asset and Mortgage Backed Obligations	BB	490,626	843,366
Asset and Mortgage Backed Obligations	B	169,749	5,270
Asset and Mortgage Backed Obligations	CCC	34,345	246,543
Asset and Mortgage Backed Obligations	NR	10,766,397	8,051,288
Total Asset and Mortgage Backed Obligations		41,547,896	43,173,327
Corporate Obligations	AAA	128,996	43,833
Corporate Obligations	AA	1,163,514	1,466,465
Corporate Obligations	A	27,423,225	29,933,696
Corporate Obligations	BBB	35,472,130	33,962,556
Corporate Obligations	BB	1,003,160	1,935,851
Corporate Obligations	B	217,040	-
Corporate Obligations	NR	199,462	1,130,494
Total Corporate Obligations		65,607,527	68,472,895
Government Agency Obligations	AAA	153,841,793	136,541,456
Government Agency Obligations	AA	2,182,939	3,158,010
Government Agency Obligations	A	1,129,682	1,485,049
Government Agency Obligations	BBB	292,303	352,685
Total Government Agency Obligations		157,446,717	141,537,200

Credit Risk Analysis, Cont.

September 30, 2024 and 2023

Investment Type	S&P Rating	2024 Fair Value	2023 Fair Value
International Obligations	AAA	$ 1,476,389	$ 10,338,292
International Obligations	AA	1,009,857	1,044,957
International Obligations	A	1,478,738	357,421
International Obligations	BBB	5,650,321	378,196
International Obligations	BB	1,731,775	1,553,306
International Obligations	B	212,253	-
International Obligations	NR	4,649,996	88,012
Total International Obligations		16,209,329	13,760,184
Securities Lending Collateral	AA	40,997,918	17,725,165
Securities Lending Collateral	A	117,514,570	142,467,493
Securities Lending Collateral	NR	8,660,754	4,838,796
Total Securities Lending Collateral		167,173,242	165,031,454
Total Fixed Income Subject to Credit Risk		447,984,711	431,975,060
U.S. Treasuries (no credit risk)		133,063,463	83,362,981
Short-term Marketable Securities		151,244,667	190,650,144
Corporate Stock		1,144,421,576	265,662,322
Alternative Investments		656,698,615	585,479,633
Commingled Funds		449,598,823	800,737,892
Exchange Traded Funds (ETF)		219,193,897	456,255,169
Total Fair Value of Investments		**$ 3,202,205,752**	**$ 2,814,123,201**

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund's investment policy addresses concentration limits on a manager basis. As of September 30, 2024, and 2023, the Fund did not have any investments where the underlying assets which were registered in the Fund's name totaled more than 5% of assets of the Fund.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. As of September 30, 2024, and 2023, the maturities of investments subject to interest rate risk are as follows:

Interest Rate Risk 2024

September 30, 2024

Investment Type	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	Total Fair Value
Asset and Mortgage	$ -	$ 2,492,457	$ 4,365,139	$ 34,690,300	$ 41,547,896
Corporate Obligations	1,396,427	27,603,049	20,250,096	16,357,955	65,607,527
Government Obligations	-	2,111,621	1,108,910	154,226,186	157,446,717
International Obligations	1,636,427	5,139,111	6,276,087	3,157,704	16,209,329
Securities Lending Collateral	167,173,242	-	-	-	167,173,242
U.S. Treasuries	2,496,698	37,296,722	46,531,061	46,738,982	133,063,463
Total	**$ 172,702,794**	**$ 74,642,960**	**$ 78,531,293**	**$ 255,171,127**	**$ 581,048,174**

Interest Rate Risk 2023

September 30, 2023

Investment Type	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	Total Fair Value
Asset and Mortgage	$ 61,002	$ 2,760,400	$ 5,666,527	$ 34,685,398	$ 43,173,327
Corporate Obligations	3,083,194	25,183,703	25,056,281	15,149,717	68,472,895
Government Obligations	-	5,077,572	908,816	135,550,812	141,537,200
International Obligations	-	10,659,944	1,604,026	1,496,214	13,760,184
Securities Lending Collateral	165,031,454	-	-	-	165,031,454
U.S. Treasuries	5,153,906	14,373,403	27,633,176	36,202,496	83,362,981
Total	**$ 173,329,556**	**$ 58,055,022**	**$ 60,868,826**	**$ 223,084,637**	**$ 515,338,041**

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Fund has no formal investment policy with regard to foreign currency risk as it is considered an intrinsic risk associated with the investment strategy. The Fund's exposure to foreign currency risk on September 30, 2024, and 2023, is presented in the table on the following page.

Foreign Currency Exposure

Currency	September 30, 2024 Debt	Equity	Alternatives	Total	September 30, 2023 Debt	Equity	Alternatives	Total
Argentine Peso	$ 13	$ -	$ -	$ 13	$ 1,677	$ -	$ -	$ 1,677
Australian Dollar	54,069	-	-	54,069	1,747,012	-	-	1,747,012
Brazilian Real	(94,772)	1,605,166	-	1,510,394	203,446	1,642,586	-	1,846,032
British Pound Sterling	228,772	61,977,888	-	62,206,660	93,251	27,009,261	-	27,102,512
Canadian Dollar	(355,420)	16,525,490	-	16,170,070	(645,704)	4,715,698	-	4,069,994
Chilean Peso	-	-	-	-	1,503,113	-	-	1,503,113
Columbian Peso	-	-	-	-	(1,507,378)	-	-	(1,507,378)
Danish Krone	101	9,866,127	-	9,866,228	96	7,695,833	-	7,695,929
Euro Currency Unit	(1,366,469)	102,596,287	75,363,795	176,593,613	(831,646)	40,964,846	65,623,037	105,756,237
HK Offshore Chinese Yuan Renminbi	(786,107)	1,348,705	-	562,598	(516,901)	879,095	-	362,194
Hong Kong Dollar	158	18,375,977		18,376,135	136	6,069,267	-	6,069,403
Hungarian Forint	1,426	-	-	1,426	1,384	-	-	1,384
Indonesian Rupiah	33,825	-	-	33,825	205,084	-	-	205,084
Indian Rupee	197,511	-	-	197,511	206,084	-	-	206,084
Japanese Yen	568,264	40,516,588	-	41,084,852	1,076,226	17,182,654	-	18,258,880
Mexican New Peso	4,621	-	-	4,621	(1,291,913)	-	-	(1,291,913)
New Israeli Shekel	-	-	-	-	1,554,906	-	-	1,554,906
New Taiwan Dollar	(4,649)	10,737,609	-	10,732,960	(477,778)	3,856,012	-	3,378,234
New Zealand Dollar	573	-	-	573	714,987	-	-	714,987
Norwegian Krone	357	3,947,304	-	3,947,661	205,473	1,854,543	-	2,060,016
Peruvian Nuevo Sol	31,027	-	-	31,027	-	-	-	-
Polish Zloty	281,022	-	-	281,022	88	-	-	88
Singapore Dollar	49	3,859,044	-	3,859,093	46	-	-	46
South African Rand	473,280	-	-	473,280	24,227	-	-	24,227
South Korean Won	(66,975)	2,416,130	-	2,349,155	-	2,953,964	-	2,953,964
Swedish Krona	-	9,193,608	-	9,193,608	(1,578,488)	4,036,159	-	2,457,671
Swiss Franc	(288,834)	12,986,353	-	12,697,519	1,389	11,225,349	-	11,226,738
Thai Baht	-	1,246,076	-	1,246,076	205,507	1,805,279	-	2,010,786
Total	**$ (1,088,158)**	**$ 297,198,352**	**$ 75,363,795**	**$ 371,473,989**	**$ 894,324**	**$ 131,890,546**	**$ 65,623,037**	**$ 198,407,907**

Foreign Currency Exchange Transactions

To manage the foreign currency exchange risks associated with foreign investments, the Fund enters into foreign forward and swap currency contracts. The Fund had net forward foreign currency contracts with fair value of approximately ($288,559) and ($6,860) on September 30, 2024, and 2023, respectively, which contractually obligates the Fund to deliver currencies at a specified date. The Fund had net foreign currency swap agreements with fair value of approximately ($13,874) and $213,684 on September 30, 2024, and 2023, respectively. The Fund could be exposed to risk of loss if the counterparty is unable to meet the terms of a contract or if the value of currency changes unfavorably. On September 30, 2024, and 2023, the fair value of these contracts is included in due to/from broker.

Note 6. Derivative Financial Instruments

The Fund's investment managers are permitted to invest in derivatives subject to guidelines established by the Board. Derivatives are financial instruments that derive their value, usefulness, and marketability from an underlying instrument which represents direct ownership of an asset or an obligation of an issuer. The Fund's derivative positions are marked to market daily, and managers may only trade with counterparties with a credit rating of A-/A3 as defined by Standard & Poor's (S&P) and Moody's, respectively. Substitution and risk control are the only strategies permitted; speculation is strictly prohibited. Derivatives are carried as a receivable when the fair value is positive and as a payable when the fair value is negative on the Combined Statements of Fiduciary Net Position. Fair value is determined based on quoted market prices, if available, or based on differences in cash flows between the fixed and variable rates in each contract as of the measurement date. Gains and losses from derivatives are included in net investment income. The Fund is authorized to invest in the following types of derivatives on September 30, 2024, and 2023:

Futures Contracts

A futures contract is a standardized contract between two parties to buy or sell a specified asset of standardized quantity and quality for a price agreed upon today with delivery and payment occurring at a specified future date, the delivery date. The contracts are negotiated at a futures exchange, which acts as an intermediary between the two parties and to minimize the risk of default by either party.

Forward Contracts

A forward contract represents an agreement to buy or sell an underlying asset at a specified date in the future at a specified price. Payment for the transaction is delayed until the settlement or expiration date. A forward contract is a non-standardized contract that is tailored to each specific transaction. Forward contracts are privately negotiated and are intended to be held until the settlement date. Currency forward contracts are used to control currency exposure and facilitate the settlement of international security purchase and sale transactions.

Options

Options represent or give buyers the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. The option's price is usually a small percentage of the underlying asset's value. As a buyer of financial options, the Fund receives a premium at the outset of the agreement and bears the risk of an unfavorable change in the price of the financial instrument underlying the option. As a purchaser of financial options, the Fund pays a premium at the outset of the agreement and the counterparty bears the risk of an unfavorable change in the price of the financial instrument underlying the option.

Rights and Warrants

A right is a special type of option that has a short market life, usually existing for no more than a few weeks. Essentially, rights originate when corporations raise money by issuing new shares of common stock. From an investor's perspective, a right enables a stockholder to buy shares of the new issue at a specified price, over a specified, fairly short time period. Rights not executed by their expiration date cease to exist and become worthless. A warrant is a long-term option that gives the holder the right to buy a certain number of shares of stock in a certain company for a certain period of time. Like most options, warrants are found in the corporate sector of the market. Occasionally, warrants can be used to purchase preferred stock or even bonds, but common stock is the leading redemption vehicle. Warrants, like rights, cease to exist and become worth less if they are not executed by their expiration date.

Swap Agreements

A swap is an agreement between two or more parties to exchange a sequence of cash flows over a period of time in the future based on an underlying asset. No principal is exchanged at the beginning of the swap. The cash flows the counterparties exchange are tied to a "notional" amount. A swap agreement specifies the time period over which the periodic payments will be exchanged. The fair value represents the gains or losses as of the prior marking-to-market.

The Investment Derivatives schedule that follows reports the fair value and changes in fair value and notional amounts of derivatives outstanding as of September 30, 2024, and 2023, is as follows:

Investment Derivatives

As of and for year ended September 30, 2024

Derivative Type	Notional Value	2024 Fair Value	Changes in Fair Value
Investment Derivatives			
Futures Contracts	$ 81,095,499	$ -	$ 5,500
Forward Contracts	49,477,644	(288,559)	(281,699)
Swap Agreements	74,364,873	193,434	(352,672)
Rights and Warrants	-	-	(18,344)
Totals	**$ 204,938,016**	**$ (95,125)**	**$ (647,215)**

Investment Derivatives

As of and for year ended September 30, 2023

Derivative Type	Notional Value	2023 Fair Value	Changes in Fair Value
Investment Derivatives			
Futures Contracts	$ 87,304,268	$ (5,500)	$ 128,775
Forward Contracts	78,620,547	(6,860)	(884,635)
Swap Agreements	58,230,628	546,106	728,894
Rights and Warrants	18,344	18,344	(1,101)
Totals	**$ 224,173,787**	**$ 552,090**	**$ (28,067)**

Credit Risk

The Fund is exposed to credit risk on investment derivatives that are traded over the counter and reported in asset positions. Derivatives exposed to credit risk include currency forward contracts, rights and warrants, and swap agreements. To minimize credit risk exposure, the Fund's managers monitor the credit ratings of the counterparties. Should there be a counterparty failure, the Fund would be exposed to the loss of the fair value of derivatives that are in the asset positions and any collateral provided to the counterparty, net of the effect of applicable netting arrangements. Netting arrangements provide the Fund with a right of offset in the event of bankruptcy or default by the counterparty. Collateral provided by the counterparty reduces the Fund's credit risk exposure.

The following Credit Risk Analysis schedule discloses the counterparty credit ratings of the Fund's investment derivatives by type, as of September 30, 2024, and 2023. These amounts represent the maximum loss that would be recognized if all counterparties fail to perform as contracted, without respect to any collateral or other security or netting arrangement. The schedule displays the fair value of the investments by credit rating in increasing magnitude of risk. Investments are classified by S&P rating. If the investment does not have an S&P rating, the Moody's rating that corresponds to the S&P rating is used. As of September 30, 2024, and 2023, the Fund's credit risk to these investments is disclosed on the following table:

Investment Derivatives Credit Risk Analysis 2024

September 30, 2024

Derivative Type	AA	A	BBB	Not Rated	Fair Value
Futures Contracts	$ -	$ -	$ -	$ -	$ -
Forwards Contracts	-	-	-	(288,559)	(288,559)
Swap Agreements	-	20,675	-	172,759	193,434
Rights and Warrants	-	-	-	-	-
Total	**$ -**	**$ 20,675**	**$ -**	**$ (115,800)**	**$ (95,125)**

Investment Derivatives Credit Risk Analysis 2023

September 30, 2023

Derivative Type	AA	A	BBB	Not Rated	Fair Value
Futures Contracts	$ -	$ -	$ -	$ (5,500)	$ (5,500)
Forwards Contracts	-	-	-	(6,860)	(6,860)
Swap Agreements	-	(109,358)	-	655,464	546,106
Rights and Warrants	-	-	-	18,344	18,344
Total	**$ -**	**$ (109,358)**	**$ -**	**$ 661,448**	**$ 552,090**

Interest Rate Risk

The interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Interest rate swaps are an example of an investment that has a fair value that is highly sensitive to interest rate changes. These investments, as of September 30, 2024, and 2023, are disclosed on the following table:

Investment Derivatives Interest Rate Risk Analysis

September 30, 2024 and 2023

	2024		2023	
Derivative Type	Total Notional Value	Total Fair Value	Total Notional Value	Total Fair Value
Interest Rate Swaps	$ 74,364,873	$ 193,434	$ 48,930,628	$ 624,365
Swaptions	-	-	9,300,000	(78,259)
Total	**$ 74,364,873**	**$ 193,434**	**$ 58,230,628**	**$ 546,106**

Foreign Currency Risk

For those forward contracts and swap agreements that are securities issued by foreign countries and foreign businesses there is an exposure to foreign currency risk. Currency forward contracts represent foreign exchange contracts that are used to control currency exposure and facilitate the settlement of international security purchase and sale transactions. The net exposure column of the following schedule indicates the Fund's net foreign currency risk related to derivatives as of September 30, 2024, and 2023.

All values shown in Note 6 are for the positions that the Fund holds directly. The Fund may also have an indirect exposure to derivatives via its commingled funds and its alternative investments. The Fund owns an interest in the commingled and alternative investment funds which in turn holds the actual positions. Indirect exposures via these types of investments are not shown here. See the table below.

Investment Derivatives Foreign Currency Risk Analysis

September 30, 2024, and 2023

	2024			2023		
Currency	Forward Contracts	Swap Agreements	Net Exposure	Forward Contracts	Swap Agreements	Net Exposure
Australian Dollar	$ (14,083)	$ 80,159	$ 66,076	$ 9,536	$ -	$ 9,536
Brazilian Real	3,430	(206,253)	(202,823)	(1,945)	-	(1,945)
British Pound Sterling	(36,153)	41,512	5,359	141,264	-	141,264
Canadian Dollar	4,585	-	4,585	(14,725)	(123,337)	(138,062)
Chilean Peso	-	-	-	(18,049)	-	(18,049)
Chinese Yuan Offshore	(24,113)	-	(24,113)	(840)	-	(840)
Colombian Peso	-	-	-	(3,728)	-	(3,728)
Czech Koruna	-	-	-	(5,090)	-	(5,090)
Euro Currency Unit	(23,644)	54,417	30,773	78,693	1,570	80,263
Hong Kong Dollar	-	-	-	(93)	-	(93)
Hungarian Forint	-	-	-	(26,573)	-	(26,573)
Indian Rupee	503	-	503	9	-	9
Indonesian Rupiah	(31,714)	-	(31,714)	(1,619)	-	(1,619)
Israeli New Shekel	-	-	-	(464)	-	(464)
Japanese Yen	4,548	16,291	20,839	(38,565)	335,451	296,886
Mexican Peso	(41,329)	-	(41,329)	(17,582)	-	(17,582)
New Taiwan Dollar	(19,002)	-	(19,002)	8,189	-	8,189
New Zealand Dollar	(46,380)	-	(46,380)	(93,096)	-	(93,096)
Norwegian Krone	-	-	-	(3,854)	-	(3,854)
Peruvian Sol	(212)	-	(212)	-	-	-
Polish Zloty	3,748	-	3,748	17,361	-	17,361
South African Rand	(69,562)	-	(69,562)	(697)	-	(697)
South Korean Won	(350)	-	(350)	-	-	-
Swedish Krona	-	-	-	(30,787)	-	(30,787)
Swiss Franc	1,169	-	1,169	-	-	-
Thai Baht	-	-	-	(4,205)	-	(4,205)
Total	**$ (288,559)**	**$ (13,874)**	**$ (302,433)**	**$ (6,860)**	**$ 213,684**	**$ 206,824**

Note 7. Securities Lending

The Fund is authorized to contractually lend securities to borrowers in accordance with the policy established by the Board. The Fund is currently contracted with Northern Trust to establish, manage, and administer a securities lending program. Northern Trust facilitates lending the Fund's domestic and international equity and fixed income securities in return for collateral consisting of cash, U.S. government securities and irrevocable letters of credit issued by banks independent of the borrower. As of September 30, 2024, and 2023, all securities lending collateral held is cash. At a loan's inception, the value of collateral is equal to 102% for securities of United States issuers, and 105% in the case of securities of non-United States issuers, of the fair value of any securities to be loaned, plus any accrued interest.

Cash collateral is to be invested in government securities, bank and corporate notes, bank certificates of deposit, time deposits, bankers' acceptances, repurchase agreements, commercial paper, and asset-backed securities. The contract with Northern Trust specifies guidelines for allowable investments, maturities, and diversification. The Fund does not have the ability to pledge or sell collateral securities without borrower default. The amount of cash collateral held exceeds the value of the assets on loan on September 30, 2024, and 2023.

The Fund earns income from fees paid by the borrowers and interest earned from investing the cash collateral. The contract requires the custodian bank to purchase any loaned securities with collateral provided, however, if the collateral is insufficient to cover the loss, the Fund is liable for the loss. The cash collateral received on each loan was invested in the collateral pool at Northern Trust. Because the loans are terminable at will, their duration generally did not match the duration of the investments made with cash collateral.

In addition, the Plan had no credit risk exposure to borrowers. As of September 30, 2024, and 2023, the value of the cash collateral held was $167,173,242 and $165,031,454, respectively, and the value of securities out on loan on September 30, 2024, and 2023, was $162,882,880 and $160,952,882, respectively. The Fund earned $521,761 and $598,554 net, on its securities lending activity for the fiscal years ended September 30, 2024, and 2023, respectively.

Note 8. Tax Status

The City Plan obtained its latest determination letter on December 8, 2014, in which the Internal Revenue Service (IRS) stated that the Fund, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Staff Plan obtained its latest determination letter on April 7, 2017, in which the Internal Revenue Service (IRS) stated that the Fund, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC).

No federal, state, or local income taxes have been provided on the operations of the Fund since the IRS approved the Fund determination letter to be designed and operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Fund's Combined Financial Statements.

Note 9. Plan Termination

City Plan

While the City has not expressed any intent to discontinue its contributions, it may terminate the City Plan at any time. In the event the City Plan terminates, the net position shall be allocated among the participants and beneficiaries of the City Plan as follows:

- First, benefits that former employees or their beneficiaries are receiving or that employees eligible for retirement would have been receiving had they retired
- Next, other vested benefits
- Finally, all other accrued benefits

If assets remain after the above allocations, they shall be distributed to the City.

Staff Plan

While the Board has not expressed any intent to discontinue its contributions, it may terminate the Staff Plan at any time. In the event the Staff Plan terminates, the net position shall be allocated among the participants and beneficiaries of the Staff Plan as follows:

- First, benefits that former employees or their beneficiaries are receiving or that employees eligible for retirement would have been receiving had they retired
- Next, other vested benefits
- Finally, all other accrued benefits

If assets remain after the above allocations, they shall be distributed to the Board.

Required Supplementary Information

Schedule of Changes in Net Pension Liability: City Plan

Years ended September 30; unaudited

City Plan	2015	2016	2017	2018	2019
Total Pension Liability					
Service Cost	$ 85,592,978	$ 98,173,277	$ 123,792,923	$ 113,947,000	$ 111,950,763
Interest	246,292,813	252,240,071	251,645,608	274,954,967	290,020,564
Benefit Changes	(1,828,408)	-	-	-	(1,543,331,519)
Difference Between Actual and Expected Experience	(10,817,086)	4,177,731	186,853,574	62,114,429	(18,487,311)
Assumption Changes	364,494,287	1,022,192,887	(327,287,818)	(165,300,608)	536,393,855
Benefit Payments and Refunds	(167,065,955)	(185,819,878)	(198,611,599)	(217,801,696)	(227,239,084)
Net Change in Total Pension Liability	516,668,629	1,190,964,088	36,392,688	67,914,092	(850,692,732)
Total Pension Liability - Beginning	3,610,674,395	4,127,343,024	5,318,307,112	5,354,699,800	5,422,613,892
Total Pension Liability - Ending	$ 4,127,343,024	$ 5,318,307,112	$ 5,354,699,800	$ 5,422,613,892	$ 4,571,921,160
Plan Fiduciary Net Position					
Contributions - Member	$ 32,541,773	$ 33,977,411	$ 35,963,200	$ 37,618,303	$ 40,634,725
Contributions - Employer	80,820,598	84,746,991	89,408,134	93,504,064	113,109,911
Net Investment Income (Loss)	(20,635,550)	166,305,791	250,912,773	145,408,403	67,729,548
Benefit Payments and Refunds	(167,065,955)	(185,819,878)	(198,611,599)	(217,801,696)	(227,239,084)
Administrative Expense	(3,823,331)	(4,521,503)	(4,867,413)	(4,915,335)	(5,707,390)
Other	(143,220)	(241,634)	-	-	-
Net Change in Plan Fiduciary Net Position	$ (78,305,685)	$ 94,447,178	$ 172,805,095	$ 53,813,739	$ (11,472,290)
Plan Fiduciary Net Position - Beginning	$ 2,081,575,247	$ 2,003,269,563	$ 2,097,716,741	$ 2,270,521,836	$ 2,324,335,575
Plan Fiduciary Net Position - Ending	2,003,269,563	2,097,716,741	2,270,521,836	2,324,335,575	2,312,863,285
Net Pension Liability Ending	**$ 2,124,073,461**	**$ 3,220,590,371**	**$ 3,084,177,964**	**$ 3,098,278,317**	**$ 2,259,057,875**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.54%	39.44%	42.40%	42.86%	50.59%
Covered Payroll	$ 404,507,497	$ 424,371,512	$ 447,488,158	$ 467,754,197	$ 484,410,754
Net Pension Liability as a Percentage of Covered Payroll	525.10%	758.91%	689.22%	662.37%	466.35%

Please see Notes to Required Supplementary Information.

Schedule of Changes in Net Pension Liability: City, Cont.

Years ended September 30; unaudited

City Plan	2020	2021	As Restated 2022	2023	2024
Total Pension Liability					
Service Cost	$ 70,650,037	$ 69,156,958	$ 73,040,581	$ 76,529,318	$ 81,585,071
Interest	316,896,226	327,263,445	338,326,248	346,499,377	353,121,806
Benefit Changes	-	-	-	-	-
Difference Between Actual and Expected Experience	(476,723)	12,410,191	230,544	(27,404,370)	23,698,718
Assumption Changes	-	-	-	-	8,034,506
Benefit Payments and Refunds	(230,964,518)	(243,982,126)	(265,366,226)	(331,288,037)	(280,859,857)
Net Change in Total Pension Liability	156,105,022	164,848,468	146,231,147	64,336,288	185,580,244
Total Pension Liability - Beginning	4,571,921,160	4,728,026,182	4,892,874,650	5,039,105,797	5,103,442,085
Total Pension Liability - Ending	$ 4,728,026,182	$ 4,892,874,650	$ 5,039,105,797	$ 5,103,442,085	$ 5,289,022,329
Plan Fiduciary Net Position					
Contributions - Member	$ 56,250,684	$ 60,281,553	$ 65,593,975	$ 72,322,732	$ 167,206,902
Contributions - Employer	124,743,976	128,046,174	137,012,301	148,281,745	82,240,346
Net Investment Income (Loss)	110,570,539	524,024,718	(256,764,105)	218,564,656	423,629,978
Benefit Payments and Refunds	(230,964,518)	(243,982,126)	(265,366,226)	(331,288,037)	(280,859,857)
Administrative Expense	(5,303,296)	(6,091,945)	(6,855,373)	(7,327,309)	(8,461,713)
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	$ 55,297,385	$ 462,278,374	$ (326,379,428)	$ 100,553,787	$ 383,755,656
Plan Fiduciary Net Position - Beginning	$ 2,312,863,285	$ 2,368,160,670	$ 2,830,439,044	$ 2,504,059,616	$ 2,604,613,403
Plan Fiduciary Net Position - Ending	2,368,160,670	2,830,439,044	2,504,059,616	2,604,613,403	2,988,369,059
Net Pension Liability Ending	**$ 2,359,865,512**	**$ 2,062,435,606**	**$ 2,535,046,181**	**$ 2,498,828,682**	**$ 2,300,653,270**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.09%	57.85%	49.69%	51.04%	56.50%
Covered Payroll	$ 509,575,065	$ 523,064,436	$ 539,843,582	$ 557,869,620	$ 610,899,017
Net Pension Liability as a Percentage of Covered Payroll	463.10%	394.30%	469.59%	447.92%	376.60%

Please see Notes to Required Supplementary Information.

Schedule of Changes in Net Pension Liability: Staff Plan

Years ended September 30; unaudited

Staff Plan	2015	2016	2017	2018	2019
Total Pension Liability					
Service Cost	$ 303,626	$ 284,929	$ 252,967	$ 274,978	$ 226,297
Interest	337,668	335,753	422,610	462,281	525,209
Benefit Changes	-	(786,759)	-	-	(588,078)
Difference Between Actual and Expected Experience	(650,524)	300,333	(159,693)	229,191	279,208
Assumption Changes	-	965,041	-	-	1,142,887
Benefit Payments and Refunds	(16,747)	(11,754)	(35,933)	(16,074)	(195,528)
Net Change in Total Pension Liability	(25,977)	1,087,543	479,951	950,376	1,389,995
Total Pension Liability - Beginning	4,156,464	4,130,487	5,218,030	5,697,981	6,648,357
Total Pension Liability - Ending	$ 4,130,487	$ 5,218,030	$ 5,697,981	$ 6,648,357	$ 8,038,352
Plan Fiduciary Net Position					
Contributions - Member	$ 126,984	$ 130,973	$ 124,339	$ 131,067	$ 127,207
Contributions - Employer	242,270	249,881	237,224	250,059	241,316
Net Investment Income(Loss)	(30,772)	286,116	500,246	303,812	170,225
Benefit Payments and Refunds	(16,747)	(11,754)	(35,933)	(16,074)	(195,528)
Administrative Expense	(5,702)	(7,779)	(14,988)	(27,963)	(54,449)
Other	(214)	(19,791)	-	-	-
Net Change in Plan Fiduciary Net Position	$ 315,819	$ 627,646	$ 810,888	$ 640,901	$ 288,771
Plan Fiduciary Net Position - Beginning	$ 2,772,401	$ 3,088,220	$ 3,715,866	$ 4,526,754	$ 5,167,655
Plan Fiduciary Net Position - Ending	3,088,220	3,715,866	4,526,754	5,167,655	5,456,426
Net Pension Liability Ending	**$ 1,042,267**	**$ 1,502,164**	**$ 1,171,227**	**$ 1,480,702**	**$ 2,581,926**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.77%	71.21%	79.44%	77.73%	67.88%
Covered Payroll	$ 1,539,199	$ 1,587,554	$ 1,507,141	$ 1,588,685	$ 1,533,139
Net Pension Liability as a Percentage of Covered Payroll	67.71%	94.62%	77.71%	93.20%	168.41%

Please see Notes to Required Supplementary Information.

Schedule of Changes in Net Pension Liability: Staff, Cont.

Years ended September 30; unaudited

Staff Plan	2020	2021	2022	2023	2024
Total Pension Liability					
Service Cost	$ 293,767	$ 362,723	$ 419,199	$ 430,707	$ 414,515
Interest	576,978	653,429	719,557	796,331	859,467
Benefit Changes	-	-	-	-	-
Difference Between Actual and Expected Experience	332,572	68,899	197,405	88,641	(6,222)
Assumption Changes	-	-	-	-	(47,144)
Benefit Payments and Refunds	(179,160)	(181,061)	(212,615)	(289,187)	(505,910)
Net Change in Total Pension Liability	1,024,157	903,990	1,123,546	1,026,492	714,706
Total Pension Liability - Beginning	8,038,352	9,062,509	9,966,499	11,090,045	12,116,537
Total Pension Liability - Ending	$ 9,062,509	$ 9,966,499	$ 11,090,045	$ 12,116,537	$ 12,831,243
Plan Fiduciary Net Position					
Contributions - Member	$ 124,619	$ 328,077	$ 224,122	$ 203,740	$ 358,930
Contributions - Employer	353,767	497,821	482,800	444,763	466,434
Net Investment Income (Loss)	278,161	1,400,587	(788,986)	685,750	1,468,969
Benefit Payments and Refunds	(179,160)	(181,061)	(212,615)	(289,187)	(505,910)
Administrative Expense	(30,788)	(28,880)	(27,658)	(26,932)	(28,628)
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	$ 546,599	$ 2,016,544	$ (322,337)	$ 1,018,134	$ 1,759,795
Plan Fiduciary Net Position - Beginning	$ 5,456,426	$ 6,003,025	$ 8,019,569	$ 7,697,232	$ 8,715,367
Plan Fiduciary Net Position - Ending	6,003,025	8,019,569	7,697,232	8,715,367	10,475,162
Net Pension Liability Ending	**$ 3,059,484**	**$ 1,946,930**	**$ 3,392,813**	**$ 3,401,170**	**$ 2,356,081**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.24%	80.47%	69.41%	71.93%	81.64%
Covered Payroll	$ 1,510,527	$ 2,061,061	$ 2,134,492	$ 2,024,822	$ 2,064,708
Net Pension Liability as a Percentage of Covered Payroll	202.54%	94.46%	158.95%	167.97%	114.11%

Please see Notes to Required Supplementary Information.

Schedule of Net Pension Liability

Years ended September 30; unaudited

Fiscal Year Ending 09/30	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a Percent of Total Pension Liability	Covered Payroll	Net Pension Liability as a Percent of Covered Payroll
City Plan						
2015	$ 4,127,343,024	$ 2,003,269,563	$ 2,124,073,461	48.54%	$ 404,507,497	525.10%
2016	5,318,307,112	2,097,716,741	3,220,590,371	39.44%	424,371,512	758.91%
2017	5,354,699,800	2,270,521,836	3,084,177,964	42.40%	447,488,158	689.22%
2018	5,422,613,892	2,324,335,575	3,098,278,317	42.86%	467,754,197	662.37%
2019	4,571,921,160	2,312,863,285	2,259,057,875	50.59%	484,410,754	466.35%
2020	4,728,026,182	2,368,160,670	2,359,865,512	50.09%	509,575,065	463.10%
2021	4,892,874,650	2,830,439,044	2,062,435,606	57.85%	523,064,436	394.30%
2022 As Restated	5,039,105,797	2,504,059,616	2,535,046,181	49.69%	539,843,582	469.59%
2023	5,103,442,085	2,604,613,403	2,498,828,682	51.04%	557,869,620	447.92%
2024	5,289,022,329	2,988,369,059	2,300,653,270	56.50%	610,899,017	376.60%
Staff Plan						
2015	$ 4,130,487	$ 3,088,220	$ 1,042,267	74.77%	$ 1,539,199	67.71%
2016	5,218,030	3,715,866	1,502,164	71.21%	1,587,554	94.62%
2017	5,697,981	4,526,754	1,171,227	79.44%	1,507,141	77.71%
2018	6,648,357	5,167,655	1,480,702	77.73%	1,588,685	93.20%
2019	8,038,352	5,456,426	2,581,926	67.88%	1,533,139	168.41%
2020	9,062,509	6,003,025	3,059,484	66.24%	1,510,527	202.54%
2021	9,966,499	8,019,569	1,946,930	80.47%	2,061,061	94.46%
2022	11,090,045	7,697,232	3,392,813	69.41%	2,134,492	158.95%
2023	12,116,537	8,715,367	3,401,170	71.93%	2,024,822	167.97%
2024	12,831,243	10,475,162	2,356,081	81.64%	2,064,708	114.11%

Please see Notes to Required Supplementary Information.

Schedule of Actuarially Determined Employer Contributions

Years ended September 30; unaudited

Fiscal Year Ended September 30	Actuarially Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll	Percentage Contributed
City Plan					
2015	$ 93,562,584	$ 80,820,598	$ 12,741,986	$ 404,507,497	19.98%
2016	101,339,917	84,746,991	16,592,926	424,371,512	19.97%
2017	112,185,281	89,408,134	22,777,147	447,488,158	19.98%
2018	131,766,357	93,504,064	38,262,293	467,754,197	19.99%
2019	136,167,863	113,109,911	23,057,952	484,410,754	23.35%
2020	160,159,443	124,743,976	35,415,467	509,575,065	24.48%
2021	165,706,813	128,046,174	37,660,639	523,064,436	24.48%
2022 As Restated	174,315,493	137,012,301	37,303,192	539,843,582	25.38%
2023	175,059,487	148,281,745	26,777,742	557,869,620	26.58%
2024	192,982,999	167,206,902	25,776,097	610,899,017	27.37%
Staff Plan					
2015	$ 95,276	$ 242,270	$ (146,994)	$ 1,539,199	15.74%
2016	244,007	249,881	(5,874)	1,587,554	15.74%
2017	169,101	237,224	(68,123)	1,507,141	15.74%
2018	244,499	250,059	(5,560)	1,588,685	15.74%
2019	243,462	241,316	2,146	1,533,139	15.74%
2020	353,767	353,767	-	1,510,527	23.42%
2021	497,821	497,821	-	2,061,061	24.15%
2022	482,800	482,800	-	2,134,492	22.62%
2023	444,763	444,763	-	2,024,822	21.97%
2024	466,434	466,434	-	2,064,708	22.59%

Please see Notes to Required Supplementary Information.

Schedule of Money-weighted Investment Returns

For Years Ended 9/30	Annual Investment Returns*
2024	15.97%
2023	8.38%
2022	-8.67%
2021	22.52%
2020	4.79%
2019	2.92%
2018	6.50%
2017	12.15%
2016	8.43%
2015	-1.06%

*Annual money-weighted rate of return, net of investment fees and adjusted for the changing amounts actually invested.
The City and Staff plans are commingled for investment purposes and both plans experience the same return.
Please see notes to Required Supplementary Information.

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Notes to Required

Supplementary Information

Methods and Assumptions Used in
Calculations of Actuarially Determined Contributions

The actuarially determined contribution is equal to the total calculated contribution rate in the prior actuarial valuation, minus the portion expected to be covered by employee contributions, multiplied by the covered- employee payroll. City and member contribution rates are established by ordinance. Employer and member contribution rates for the Staff Plan are established in the administrative rules.

The assumptions and methods summarized below were adopted by the Board of Trustees on April 24, 2024, based on the experience investigation that covered the five-year period from January 1, 2019 through December 31, 2023. These assumptions first applied for actuarial valuation as of December 31, 2023 and the actuarially determined contribution for fiscal year ending September 30, 2024.

As of December 31, 2023

	City Plan	Staff Plan
Valuation Date	December 31, 2023	December 31, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, 30-year closed beginning in 2018	Level Dollar, Layered
Remaining Amortization Period	25 years	30 years for new layers
Asset Valuation Method	Five-year smoothed fair value	Five-year smoothed fair value
Inflation	2.50%	2.50%
Salary Increases	3.25% - 28.25%	2.75% - 5.6%
Investment Rate of Return, Net of Investment Expenses	7.00%	7.00%
Retirement Age	Experience-based table of rates based on job classification and number of years since first retirement eligibility.	Experience-based table of rates based on either number of years since first retirement eligibility or age.
Mortality	PubG-2010 Mortality Tables for General Employees and PubS-2010 Healthy Retiree Mortality Table for Police Officers and Firefighters. Generational mortality improvements from the year 2010 using the ultimate mortality improvements rates in the MP-2020 tables.	PubG-2010 Mortality Table. Generational mortality improvements from the year 2010 using the ultimate mortality improvement rates in the MP-2020 tables.
Cost-of-Living Adjustment	A 2% cost-of-living adjustment (COLA) is assumed for all members in the Guaranteed COLA program, No COLAs are assumed for members with a Variable COLA. Timing of conditional Ad Hoc COLAs is based on an open group projection.	4.0% COLAs are assumed for members participating in the ad-hoc COLA program.
Notes	The covered-employee payroll was estimated based on the actual employer contributions received and a weighted average contribution rate.	The covered-employee payroll was estimated based on the actual employer contributions received and actual contribution rate.

The assumptions and methods summarized below were adopted by the Board of Trustees on May 27, 2019, based on the experience investigation that covered the three-year period from January 1, 2016 through December 31, 2018. These assumptions first applied for actuarial valuation as of December 31, 2018 and the actuarially determined contribution for fiscal year ending September 30, 2019.

As of December 31, 2022

	City Plan	Staff Plan
Valuation Date	December 31, 2022	December 31, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, 30-year closed beginning in 2018	Level Dollar, Layered
Remaining Amortization Period	26 years	30 years for new layers
Asset Valuation Method	Five-year smoothed fair value	Five-year smoothed fair value
Inflation	2.50%	2.50%
Salary Increases	3.25% - 28.25%	2.75% - 5.35%
Investment Rate of Return, Net of Investment Expenses	7.00%	7.00%
Retirement Age	Experience-based table of rates based on job classification and number of years since first retirement eligibility.	Experience-based table of rates based on either number of years since first retirement eligibility or age.
Mortality	PubG-2010 Mortality Tables for General Employees and PubS-2010 Healthy Retiree Mortality Table for Police Officers and Firefighters. Generational mortality improvements from the year 2010 using the ultimate mortality improvements rates in the 2014-2019 MP tables.	PubG-2010 Mortality Table. Generational mortality improvements from the year 2010 using the ultimate mortality improvement rates in the 2014-2019 MP tables.
Cost-of-Living Adjustment	A 2% cost-of-living adjustment (COLA) is assumed for all members in the Guaranteed COLA program, No COLAs are assumed for members with a Variable COLA. Timing of conditional Ad Hoc COLAs is based on an open group projection.	4.0% COLAs are assumed for members participating in the ad-hoc COLA program.
Notes	The covered-employee payroll was estimated based on the actual employer contributions received and a weighted average contribution rate.	The covered-employee payroll was estimated based on the actual employer contributions received and actual contribution rate.

Other Supplementary Information

Schedule of Administrative Expenses

Years Ended September 30, 2024, and 2023

	2024	2023
Administrative Office		
Staff and Benefits	$ 2,793,595	$ 2,576,418
Contributions to Retirement Fund	468,413	445,107
Due Diligence	14,353	9,898
Medical Reviews	-	9,690
Insurance	168,683	178,658
Office Expense	131,254	117,366
Building Expenses	197,163	231,175
Conferences and Training	32,862	30,100
Strategic Planning	-	28,705
Pension Administration Hosting	267,462	263,651
Pension Administration Programming	990,412	478,727
Equipment and Supplies	163,080	172,100
Total Administrative Office	5,227,277	4,541,595
Professional Services		
Actuarial Services	124,192	82,118
Accounting and Auditing	58,728	58,550
Consulting	1,314,801	1,274,135
Legal Services	464,248	379,404
Other Consulting	95,607	165,610
Total Professional Services	2,057,576	1,959,817
Total Administrative Expenses	**$ 7,284,853**	**$ 6,501,412**

Schedule of Investment Management Fees

As of September 30

	2024	2023
Domestic Fixed Income		
Aberdeen Asset Management	$ 9	$ -
American Century	410,432	438,164
Garcia Hamilton	162,296	160,823
Pacific Investment Management	322,370	226,333
Total Domestic Fixed Income	895,107	825,320
Diversified Opportunites		
ERF Hedge Fund Program	499	475
ERF Opportunistic Credit Program	69,774	-
Loomis Sayles	34	192,002
Total Diversified Opportunities	70,307	192,477
Real Assets		
ERF Real Assets	21,502	-
Harvest	109,206	173,601
Heitman Core	428,541	480,477
Prologis	178,786	191,225
UBS Trumball	182,159	206,578
Total Real Assets	920,194	1,051,881
Domestic Equities		
Rhumbline	32,894	-
Total Domestic Equities	32,894	-
International Equities		
Barrow Hanley	144,302	-
Northern Trust	56,217	59,063
Wellington Horizons	172,819	600,437
WCM Focused	798,090	673,798
William Blair	329,051	408,930
Total International Equities	1,500,479	1,742,228
Alternative		
ERF Private Equity Program	(64,510)	(212,248)
Total Alternative	(64,510)	(212,248)
Custody Fees		
Northern Trust	491,329	423,522
Total Custody Fees	491,329	423,522
Total Investment Expenses	**$ 3,845,800**	**$ 4,023,180**

Schedule of Professional Services

As of September 30

	2024	2023
Professional Fees		
Aksia Chicago, LLC	$ 977,223	$ 943,177
Brown, Pruitt, Wambsganss, Ferrill & Dean, PC	-	9,223
Cascade Investment Compliance & Verification	24,000	24,000
DLA Piper, LLP	92,139	181,452
Eide Bailly, LLP	58,728	58,550
Gabriel, Roeder, Smith & Company	124,192	82,118
Ice Miller, LLP	160,451	42,037
Jackson Walker, LLP	175,845	78,049
McElvaney Public Affairs, LLC	66,000	66,000
Seyfarth Shaw, LLP	35,813	68,643
Strategic Government Resources	-	26,485
Verus	337,578	370,958
Whitney Smith Company	5,607	9,125
Total Professional Fees	**$ 2,057,576**	**$ 1,959,817**

Independent Auditor's Report on Internal Control over Financial Reporting and on Complianceand Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Trustees
Employees' Retirement Fund of the
City of Fort Worth, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards), the combined financial statements of the Fort Worth Employee's Retirement Fund (the Fund), a fiduciary component unit of the City of Fort Worth, as of and for the year ended September 30, 2024, and the related notes to the combined financial statements, which collectively comprise the Fund's basic combined financial statements, and have issued our report thereon dated December 19, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's combined financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses, as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the combined financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Fund's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Fund's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The Fund's response was not subjected to the other auditing procedures applied in the audit of the combined financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Boise, Idaho
December 19, 2024

2024-001: Benefit Payments Reconciliation
Significant Deficiency

Criteria:
During the course of our audit, we noted that the exports for distributions and related benefit expenses from the Fund's pension administration system had not been timely reconciled to the information in the general ledger for a portion of the fiscal year. Improvements in the reconciliation processes were made beginning in January of 2024. Reconciliation on a timely and consistent basis is an important internal control process as it helps to identify discrepancies, errors, and inconsistencies in data and allows for corrections to be made promptly and within the correct period.

Condition:
The Fund should have an internal control system for the reconciliation of distributions and related benefit expenses from the pension administration system to the general ledger to prevent and detect any errors in accounting for these amounts.

Cause:
The Fund implemented a new pension administration system during the prior fiscal year and has continued to work to develop an appropriate and timely reconciliation process for information from the system to the general ledger. The Fund made improvements in this process throughout fiscal year 2024, however for a portion of the year the Fund was not able to timely reconcile this information.

Effect:
Corrections were made in fiscal year 2024 that related to fiscal year 2023. Although the impact of these corrections is not material to the combined financial statements as a whole, without appropriate internal controls in place, there is an increased possibility for a misstatement of the combined financial statements to occur.

Recommendation:
Management should ensure that the data and information from the pension administration system and general ledger are accurate and complete. Management should continue to reconcile the data regularly and timely and should work to improve the process to make it more effective.

Views of Responsible Officials:
We agree with the auditor's finding and recommendation. The following actions have been taken to improve the Fund's internal controls and mitigate the risk of discrepancies and errors in financial reporting.

Management reconciles payment distribution and related benefit accounts each month. Additionally, all export issues are reported to pension administration system, Sagitec, and resolved and corrected entries are made to the general ledger in a timely manner.

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Investment Section

Fiscal Year

Market Overview

The 2024 Fiscal Year represented a continuation of solid global economic growth trends from 2023. The disruption and volatility associated with the COVID-19 shutdowns, the related government stimulus and the resulting historically high inflation have normalized and appear to be in the past. The global economy was in balance between supply and demand, the probability of a recession declined, and the global economy showed modest growth.

During the 2024 Fiscal Year, geopolitical threats related to the war in Ukraine and Isreal drove investors concerns regarding global economic growth. However, the likelihood of contagion into larger developed markets (U.S., U.K., Europe, Japan, etc.) remained low. Government debt levels and the high cost of interest payments in the US and China was a more significant, but less discussed risk.

The U.S. consumer and labor market remained strong during Fiscal Year 2024. These strengths offset the real and perceived risks to growth and the US economy outperformed expectations during the period. Moreover, the continued above trend strength in India and other smaller economies in Asia Pacific offset underperformance in Europe.

By the end of the fiscal year, the U.S. Federal Reserve Bank along with other developed market central banks had successfully managed through a period of high inflation. While price levels remain painful to the consumer, the rate of year-over-year inflation growth has moderated into the 2.5-3.0% range, which is similar to the Fed's 2.0% target. Central bankers have firmly shifted from an interest rate-hiking cycle into a cutting cycle. The U.S. Treasury Yield Curve, the building block of all investment returns, began shifting into a normal shape following a two-year period of being inverted.

With this shift, fixed income delivered a solid return. This followed two years of poor performance, which was influenced by long-duration securities. Additionally, the rate cuts provided some hope for improvement for distressed real estate assets and the balance sheets of regional banks. However, late in the year, it became clear that the U.S. labor market has weakened along with consumer debt service payments.

Ultimately, U.S. economy posted solid year-over-year growth in Real GDP: 3.2% in Q4 2023, 2.9% in Q1 2024, 3.0% in Q2 2024, and 2.7% in Q3 2024.

While economic growth was solid, investment returns were strong during Fiscal Year

2024. Investment returns were driven by a strong equity market, strong fixed income returns, and a normalization for other key asset classes. The performance of stocks was driven by innovative U.S. and Asian technology companies that should benefit from the development and increased utilization of Artificial Intelligence. As previously mentioned, the improvement in the bond market was driven by a shift toward an interest rate-cutting cycle.

With a strong Dollar, U.S. markets generally outperformed international markets and risks were heavily discounted with growth investments outperforming value investments. By the end of Fiscal Year 2024, stock valuations were high and credit spreads were tight as the Bulls handily won the day over the Bears. During the period, global stocks returned 31.8% and U.S. bonds returned 11.6%. With liquid markets outperforming illiquid private investments, a simple, liquid, and low-cost stock and bond portfolio construction outperformed the typical pension fund portfolio, which includes allocations to illiquid, higher fee, and more complex private alternative investments.

While economic growth was solid during the fiscal year, investment returns were strong, driven by strong returns in equity and fixed income.

Over the last four years stock and bond markets have reacted appropriately, with volatility to match the various periods of optimism and pessimism. Looking forward, there is less uncertainty. To be sure, the U.S. Treasury yield curve remains severely inverted, debt levels are elevated, and borrowing costs are elevated, making for a difficult investment environment for leveraged finance and real estate. However, with inflation levels stabilized, policymakers now have the flexibility to cut rates to support growth if economies falter. Bottom-line: compared to the beginning of fiscal year 2023, our concerns regarding inflation, economic recession, credit risk, and interest rate risk have been reduced. This normalization makes for a favorable environment for security prices.

Looking forward, a minority of economists are forecasting a recession in calendar 2025. Key leading economic indicators remain neutral or supportive of growth. While some lagging indicators have weakened, the outlook remains solid. Recession risks center on the consumer, U.S. housing, U.S. and Chinese debt levels and the uncertain impact of government policies from the new US administration. Over the last 18 months the bond market has often misjudged the pace of Federal Reserve interest rate cuts and this scenario likely continues well into 2025.

The commercial real estate business struggles appear to remain with a mismatch of supply and demand as well as the burden of debt servicing costs. As a result, investors remain optimistic for the outlook for returns in 2025. However, with high equity valuations and tight credit spreads, we believe private market investments may produce relatively more attractive returns thank liquid markets.

With respect to returns, the Fort Worth Employees' Retirement Fund ended Fiscal Year 2024 with a balance of $3.0 billion and posted a net one-year return of 16.0%. The one-year return exceeded the target actuarial return of 7.0%, outperformed the policy index, outperformed the allocation index, and ranked in the 67th percentile of peer pension funds with assets of $1 billion or greater according to Verus. In comparison to peers, the Fund has a relatively high allocation to private market investments, which proved to be a benefit in Fiscal Year 2022, but represented a detriment to returns in Fiscal Years 2023 and 2024.

For the year, the total return was primarily driven by public equities, fixed income and diversified opportunities. The Fund experienced positive contributions from public equities, fixed income, diversified opportunities, cash, and private equity, which returned 33.1%, 12.6%, 7.3%, 5.6%, and 1.4%, respectively. The only asset class that detracted was Real Assets, returning -3.0%, as real estate markets continued to deteriorate.

In comparison to benchmarks, real assets, public equities, fixed income, and cash posted positive relative returns of 5.1%, 1.3%, 1.0%, and 0.2%, respectively. On a relative basis, the private equity and diversified opportunities portfolios underperformed the benchmark by -1.6% and -2.3%, respectively.

Since inception, the Fund has a net return of 8.4%.

Over longer time periods, the Fund has posted a three-year net return of 4.7%, a five-year net return of 8.0%, and a ten-year net return of 6.9%. The net return since inception is 8.4%. Over the long-term, the Fund's investment returns have particularly benefitted from risky investments in public equity and private equity.

At the end of the Fiscal 2024, the asset allocation remained in compliance with the strategic asset allocation and within ranges approved by the Board. The asset allocation reflected a 6.3% underweight to private equity offset by a 4.7% overweight to public equity and a 3.2% overweight to cash. Other deviations from the strategic asset allocation are within 2%.

The tactical shifts away from the strategic asset allocation changed significantly over the year, as a significant overweight to real assets was reduced. This reduction was driven by the relatively weak performance of real assets compared to the strong performance of public equities. The asset allocation deviations from the target for private equity is influenced by transitory investment activities, the changes in the IPS strategic asset allocation, and a lag in the deployment of capital into illiquid markets.

The Fund's investment policies, procedures, goals, objectives, performance of the assets, and transaction costs are regularly monitored in whole or in part by the staff, Cascade Compliance, Verus, Aksia, Northern Trust, the Investment Committee, and the Fund's Board. This includes quantitative and qualitative evaluations of vendors and investment managers that serve the Fund.

The investment performance listed above is calculated using a time-weighted rate of return methodology net of fees and based on market values and cash flows. Staff utilizes a monitoring process to compare the performance of individual managers to relevant benchmarks, the performance reports of the custodian, and the performance reports of the investment consultants. To the best of our knowledge, these performance statements are accurate and reliable.

Prepared by Derrick Dagnan, Chief Investment Officer

Investment Summary

As of September 30, 2024

Asset Class		Fair Value	Fair Value %
Public Equities	**$**	**1,390,553,631**	**46.73%**
Domestic		909,466,766	
International Developed		379,455,467	
Emerging Markets		101,631,398	
Fixed Income		**445,281,455**	**14.97%**
Core		161,579,385	
Core Plus		283,702,070	
Private Equity		**349,268,927**	**11.74%**
Venture Capital Private Equity		14,004,223	
Other Private Equity		335,264,704	
Diversified Opportunities		**273,988,908**	**9.21%**
ERF Hedge Funds		196,819,609	
Opportunistic Credit		77,169,237	
Public Credit		62	
Real Assets		**390,189,354**	**13.11%**
Core Real Estate		141,679,231	
Non Core Real Estate		202,133,360	
Other Real Assets		46,376,763	
Cash Equivalents		**126,185,798**	**4.24%**
Transitions		**347,987**	**0.00%**
Total Asset Allocation	**$**	**2,975,816,061**	**100.00%**

Reconciling Items to Statement of Net Position		
Accrued Income	$	(5,577,192)
Broker Receivables		(171,083,275)
Broker Payables		224,005,497
Alternative Adjustment		11,871,419
Securities Lending Collateral		167,173,242
Total Investments Statement of Net Position	**$**	**3,202,205,752**

Schedule of Asset Allocations and Returns

September 30, 2024

Asset Class	Long-Term Allocation Target	Actual Allocation	Investment Performance (%)*		
			1 Yr	3 Yr	5 Yr
Public Equity	42.00%	46.73%	33.07	7.44	11.19
MSCI ACWI Index			31.76	8.09	12.19
Fixed Income	16.00%	14.97%	12.57	(1.10)	0.89
Bloomberg US Aggregate Index			11.57	(1.39)	0.33
Diversified Opportunities	10.00%	9.21%	7.63	3.52	5.87
Diversified Opportunities Custom Index			9.89	3.35	4.36
Real Assets	13.00%	13.11%	(2.95)	2.70	4.82
NCREIF ODCE Index			(8.04)	(1.04)	2.05
Private Equity	18.00%	11.74%	1.42	4.99	13.25
Private Equity Custom Benchmark			3.00	(2.00)	8.93
Cash	1.00%	4.24%	5.62	4.72	2.93
90 Day T-Bill			5.46	3.49	2.32
Total Portfolio	100.00%	100.00%	16.03	4.65	8.03
Target Allocation Index			15.83	3.91	7.52

*The basis for investment return calculations: A time-weighted rate of return based on the market rate of return.

Investment Managers

3i Investments
Advent International
AEW
Altaris Health Partners
American Century
American Landmark
American Securities Partners
Apollo
Ares
Arlington
Ascentris
Ascribe Capital
Barrow Hanley
Bay City
BC European
BC Partners
Bedrock
Blackstone
Brazos Equity
Campus-Clarion
Cerberus
Christofferson Robb & Co
Cinven
Clearlake
Comvest Credit Partners
CVC Capital Partners
DE Shaw
Energy Capital Partners
EQT Infrastructure
EW Healthcare Partners
Falcon Investment Advisors
Focus
Garcia Hamilton
General Catalyst Group
GF Capital
GGV Capital
Gridiron
Hammes
Harvest
Heitman
Hellman & Friedman
HIG Capital
HIG Capital
High Road
ICG
Ignition Partners
Indus
IPI Partners
ISquared
JMI Equity
Kelso & Co
King Street
KPS Capital
KRG Capital Partners
Leonard Green
Littlejohn
Madison Dearborn
MAN Group
Marlin Equity
Martin Currie
Monomoy
New Enterprise Associates
Oak Hill Advisors
Parthenon
PIMCO
PIMCO
Platinum Equity
Prologis
Providence
Quantum
Realterm Logistics Income
Rhumbline Investment Advisors
Riverside
SC Capital
Scale
Sculptor
Shepherd
Southpoint
Stepstone
Stratford
Streamline Harbinger
Technology Crossover Ventures
The Gores Group
TPG
UBS
Vector
Veritas
Vitruvian
Waterfall
Waterland
WCM
Wellington
Wynnchurch

Investment Policies Summary Statement

The Board of Trustees (Board) of the Fort Worth Employees' Retirement Fund (the Fund) has adopted an Investment Policy Statement (IPS) as a framework for the investment of the Fund's assets. The purpose of the Investment Policy Statement is to assist the Board in effectively guiding, supervising, and monitoring the ongoing operations and performance of the Fund. The authority to amend that statement rests solely with the Board. The following provides a brief outline of that statement. A copy of the Investment Policy Statement in its entirety can be found on the Fund's website.

All assets of the FWERF shall be invested and managed solely in the financial interest of the FWERF's beneficiaries and in a manner consistent with Section 802.203 of the Texas Government Code, the FWERF Ethics Policy, and ethical guidelines of the CFA Institute. The investment of assets shall adhere to all applicable domestic and international securities laws, rules, and regulations.

Roles and Responsibilities
The Board is primarily responsible for establishing the long-term vision of the Fund, oversight, and adopting an Investment Policy Statement. The IPS is intended to establish prudent investment criteria, set clear objectives, establish monitoring benchmarks, guide selection of the asset classes, and establish the strategic asset allocation. The Investment Committee is established by the Board and is delegated the responsibility to oversee and provide commentary and recommendations to the Board regarding investment activities, portfolio implementation, and sustainable management of the Fund's investment processes.

The Board, to the extent permitted by Texas law, delegates the operational, program management, and administration of the Fund's investment program to the Executive Director (ED) and Chief Information Officer (CIO). At least annually, the Board reviews the actions of the ED and CIO in order to monitor performance and compliance with the terms of delegation, the IPS, and other policies and procedures.

The Executive Director, Chief Investment Officer, and Investment Staff are primarily responsible for the day-to-day general administration and effective investing of the Total Assets. The ED assumes executive responsibility and authority, as delegated, for all administrative, operational, and other aspects of managing the Fund. The CIO assumes executive responsibility and authority, as delegated for the investment operations, ongoing evaluation, and management of the assets of the Fund.

The Fund maintains an independent compliance function to review and advise the ED and Board regarding Fund investment activities and related adherence with all applicable domestic and international securities laws, rules, and regulations.

Investment Objectives
The Fund's primary investment objective is to establish a stable, diversified investment portfolio that in the long-term, will meet or exceed the Board approved assumed actuarial rate of return in order to maintain or improve the funded status of the Fund and provide sufficient liquidity to timely pay benefits. The Trustees adopt the following key investment objectives.

- The Board's investment objective is to achieve an average long-term total rate of return which satisfies the actuarial assumed rate of return. The target actuarial rate of return is set at 7.00% including an assumed inflation rate of 2.50% and a target actuarial real rate of return of 4.50%.

- The Fund shall prudently manage overall risk through diversification, by establishing and updating a strategic asset allocation using an asset allocation model that balances return expectations and risk exposures related to institutionally investible geographies, asset classes, and investment strategies.
- The Fund shall periodically rebalance the Total Assets to manage active risk relative to the strategic asset allocation and various benchmarks, as well as liquidity. Rebalancing activities shall consider both the impact on the Fund and transaction cost of the activity.
- The investment activities of the Fund shall be executed in a cost-effective manner.

Asset Allocation

The Fund's asset allocation policy is intended to reflect and be consistent with the return objective and risk tolerance expressed by the Fund. It is designed to provide the highest probability of meeting or exceeding the Fund's long-term objectives at a level of risk acceptable to the Board. The Board and Investment Committee have reviewed the risk, return, liquidity, and cost characteristics of a wide range of asset allocation approaches (conservative to aggressive). Based on input from the CIO, investment staff, and General Consultant, the Board establishes a strategic asset allocation target and acceptable asset class ranges for investment of the Total Assets. Typically, the strategic asset allocation is reviewed and adjusted every 3-5 years using an established process that considers Fund liabilities, actuarial assumptions, and long-term return prospects for various asset classes. While the Board recognizes that market events, timing of changes, or other circumstances may dictate that investing above or below the target allocation is required, the strategic asset allocation is the main driving influence on the returns of the Fund.

Monitoring and Reporting Performance

Through the IPS, the Board has adopted a benchmark philosophy and has assigned benchmarks to asset classes and the overall Fund. These benchmarks are relevant to the asset classes, investment strategies, and strategic asset allocation of the Fund. The Board believes comparing the risks and returns of the Fund, asset classes, and Investment Managers to the returns of relevant benchmarks is the primary method for assessing the effectiveness of individual investments, Investment Staff decisions and the investment program overall.

The investment performance of the Fund will be compared to the policy benchmark, which is based on the strategic asset allocation and the defined asset class benchmarks. The investment performance will also be compared to the "as allocated" or "dynamic" benchmark. To evaluate the effectiveness of the investment program and the decisions of Investment Staff, the Board sets relative return and risk objectives for the Total Assets, asset classes, and Investment Managers.

With respect to returns, long-term time weighted returns and net internal rates of return an appropriate measure of return depending on the investment strategy. With respect to risk, the standard deviation of returns for the Fund, asset classes and Investment Managers is an appropriate measure of risk within an active risk budgeting framework.

This Policy requires the CIO to review high-level investment performance with the Board quarterly. Additionally, on a timely basis, but not less than once per year, the CIO, Investment Staff, Executive Director, and Investment Committee will review actual investment results achieved for individual investment strategies. The objective of the detailed review is to guide sourcing, retention and termination decisions.

Schedule of Top Ten Investments

*As of September 30, 2024**

Name of Investment		Fair Value	Percent of Portfolio
Vaneck Morningstar Wide Moat ETF	$	64,168,684	2.34%
Apple INC Common Stock		62,968,949	2.30%
Microsoft Corp.Com		57,610,285	2.10%
NVIDIA Corp.Com		53,028,865	1.93%
PIMCO RAE Emerging Markets Fund		50,858,245	1.85%
Martin Currie Emerging Market Value		50,773,153	1.85%
Iguazu Investors (Cayman) LP		49,662,453	1.81%
Heitman America Real Estate Trust LP FD		43,381,275	1.58%
Realterm Logistics Income Fund, LP		42,734,260	1.56%
Prologis European Properties Fund II		37,809,799	1.38%

*A complete list of the Fund's holdings is available at the Fund's office by appointment.

Schedule of Investment Management, Performance, and Brokers’ Fees by Asset Class

For the Fiscal Year Ended September 30, 2024

		Fees Paid Directly		Fees Netted Against Returns			
Asset Class	Fair Value Assets Under Management	Management Fees	Performance Fees	Brokers Fees	Management Fees	Performance Fees/Carried Interest	Total Fees Direct and Indirect
Public Equity	$ 1,390,553,631	$ 1,533,373	$ -	$ 184,738			$ 1,718,111
Fixed Income	445,281,455	895,107	-	26,645			921,752
Private Equity	349,268,927	(64,510)	-	-	4,976,090	6,691,155	11,602,735
Diversified Opportunties	273,988,908	70,307	-	-	4,298,480	3,068,771	7,437,558
Real Assets	390,189,354	920,194	-	-	4,329,569	564,487	5,814,250
Cash Equivelents	126,185,798	-	-	-	-	-	-
Transitions	347,987	-	-	91,496	-	-	91,496
Totals	$ 2,975,816,061	$ 3,354,471	$ -	$ 302,879	$ 13,604,139	$ 10,324,413	$ 27,585,902

Reconciling Items to Statrement of Net Position	
Accrued Income	$ (5,577,192)
Broker Receivables	(171,083,275)
Broker Payables	224,005,497
Alternative Adjustment	11,871,419
Securities Lending Collateral	167,173,242
Total Investment Statement of Net Position	**$ 3,202,205,752**

Total Investment Expenses

Investment Services	
Total Direct and Indirect Fees	27,585,902
Custodial	491,329
Investment Consulting	1,314,801
Legal	126,799
Total Investment Expenses	**$ 29,518,831**

* Diversified Opportunites include hedge funds and private credit.

Schedule of Brokers' Fees

As of September 30, 2024

Broker Name	Number of Shares	Commission Paid	Commission per Share
Northern Trust Securities, Inc..	1,422,096	$ 42,479	$ 0.03
Instinet Europe Limited	6,970,233	36,276	0.01
UBS Ag Stamford Branch	67,108,572	31,952	0.00
J.P. Morgan Securities PLC	6,300,381	18,905	0.00
Goldman, Sachs And Co.	20,227,804,855	16,683	0.00
Morgan Stanley And Co., LLC	4,334,815,328	16,018	0.00
Merrill Lynch International Limited	34,321,223,758	10,710	0.00
Societe Generale	435,279	10,023	0.02
UBS Securities Asia Limited	1,428,810	9,936	0.01
UBS Ag London Branch	961,383	9,540	0.01
Bank Of America Corporation	1,811,919	9,529	0.01
Banque Paribas Paris	568,919	9,500	0.02
Jefferies LLC.	9,516,252	8,151	0.00
JP Morgan Securities (Asia Pacific)	280,300	6,081	0.02
BNP Paribas Arbitrage	617,922	5,658	0.01
Liquidnet Europe Limited	95,261	5,232	0.05
Mizuho Securities Usa Inc..	73,200,064	4,648	0.00
Carnegie Investment Bank AB	89,988	4,285	0.05
Jefferies International LTD	741,734	3,533	0.00
Pershing Securities Limited	162,209	3,391	0.02
Barclays Capital	17,514,424	3,325	0.00
Daiwa Capital Markets America Inc..	1,394,391	2,952	0.00
Liquidnet Inc.	120,058	2,343	0.02
B. Riley And Co., LLC	77,161	2,315	0.03
Instinet Investment Services Limited	74,666	2,240	0.03
Caceis Bank France	15,055	2,170	0.14
Credit Lyonnais Secs(Asia) Taiwan	82,424	1,914	0.02
Citigroup Global Markets Inc..	5,996,996,868	1,802	0.00
BTIG, Inc..	165,827	1,759	0.01
Hyundai Securities	28,725	1,737	0.06
Joh. Berenberg,Gossler Und Co.KG	132,748	1,708	0.01
Daiwa Secu Cap Mkts Korea Co.,LTD.	7,430	1,382	0.19
Citigroup Global Markets Europe AG	158,407	1,317	0.01
Macquarie Securities Australia LTD	26,421	1,056	0.04
Various Brokers	28,704,542,417	12,327	0.00
Total	**93,776,892,285**	**$ 302,879**	**$ 0.00**

Great Egret

Actuarial Section

P: 469.524.0000 | www.grsconsulting.com

March 3, 2025

Board of Trustees
Employees' Retirement Fund of the City of Fort Worth
3801 Hulen Street, Suite 101
Fort Worth, TX 76107

Subject: Actuarial Valuations as of December 31, 2023

Members of the Board,

At the request of the Employees' Retirement Fund of the City of Fort Worth (FWERF), Gabriel Roeder Smith & Company (GRS) has performed the actuarial valuations of the Employees' Retirement Fund of the City of Fort Worth (City Plan) and the City of Fort Worth Employees' Retirement Fund Staff Retirement Plan (Staff Plan). The information in the Actuarial Section is based on our annual actuarial valuation reports for the two plans, with the most recent valuations conducted as of December 31, 2023, and is intended to be used in conjunction with the full reports. FWERF is pension trust fund of the City of Fort Worth and a defined benefit pension plan covering employees of the City of Fort Worth and employees of the Employees' Retirement Fund of the City of Fort Worth.

This letter and the schedules listed below represent GRS' certification of the funded status as required for the financial report for the fiscal year ended September 30, 2024 for the City Plan and the Staff Plan.

In the Financial Section, GRS prepared the following:

- Sensitivity of the Net Pension Liability to Changes in Discount Rate,
- Schedule of Changes in the Net Pension Liability, and
- Schedule of Actuarially Determined Employer Contributions.

In the Actuarial Section, GRS prepared the following:

- Executive Summary,
- Schedule of Funding Progress,
- Development of Actuarial Value of Assets,
- Actuarial Gain or Loss,
- Analysis of Normal Cost by Component,
- Retirees, Beneficiaries, and Disabled Participants Added to and Removed from Rolls,
- Solvency Test, and
- Distribution of Active Members by Age and Years of Service.

5605 North MacArthur Boulevard | Suite 870 | Irving, Texas 75038-2631

Data

The valuation was based upon information as of December 31, 2023, furnished by FWERF staff, concerning system benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by FWERF staff.

Actuarial Assumptions and Methods

The assumptions and methods applied in this actuarial valuation were adopted by the Board of Trustees on December 20, 2023 based on the experience investigation that covered the four-year period from January 1, 2019 through December 31, 2022. In accordance with the Administrative Rules of FWERF, all actuarial assumptions and methodologies must be adopted by the Board upon the advice of the actuary. We believe the assumptions for the funding valuation are internally consistent and are reasonable, based on the actual experience of FWERF, and meet the parameters of the Actuarial Standards of Practice issued by the Actuarial Standards Board. The same actuarial assumptions and methods were used for financial reporting purposes to develop the *Schedules of Changes in the Net Pension Liability* and the *Schedule of Actuarially Determined Employer Contributions*, noted above, which meet the parameters set forth in the disclosures presented in the Financial Section by Governmental Accounting Standards Board Statement No. 67.

The actuarial accrued liability and corresponding normal cost rate for the City Plan are based on the Entry Age Normal actuarial cost method where the benefits are based on the benefits payable to each individual active member. The same actuarial cost method was selected for financial reporting purposes.

The results of the actuarial valuation are dependent upon the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities, calculated contribution rates and funding periods. A review of the impact of a different set of assumptions on the funded status of the City Plan and the Staff Plan are outside the scope of this actuarial valuation.

The current actuarial assumptions are outlined in the section of the ACFR titled "Actuarial Assumptions and Methods."

Benefits

There were no changes to the plan provisions of the City Plan and the Staff Plan during the past year. The current benefit provisions are outlined in the section of the ACFR titled "Summary of Key Provisions."

Funding Policy and Objectives – City Plan

As outlined in the City Code and the Funding Policy adopted by the Board, the funding objective of the City Plan is to fund the sum of the normal cost, the assumed administrative expenses, and an amount necessary to eliminate the UAAL over a closed 30-year period beginning on December 31, 2018 with the goal of eliminating the UAAL by December 31, 2048. Contribution rates should be established which, over time, will remain level as a percent of payroll. As a result, the Actuarially Determined Employer Contribution (ADEC) is based on a closed 30-year amortization of the UAAL as of December 31, 2018 (25 years remaining as of December 31, 2023) and is being amortized as a level percentage of payroll. This ADEC will be equal to the City's portion of the total contributions that are necessary to meet this funding objective and this ADEC is appropriate for use by the Board to monitor progress towards these funding goals.

FWERF receives member contributions of 9.35% of the Member Contributory Payroll for General members, 13.13% of the Member Contributory Payroll for Police members, and 12.05% of the Member Contributory Payroll for Fire members. Based on the current composition of the active plan population, the average member rate is approximately 11.10% of the Member Contributory Payroll.

The City contributes 24.24% of the City Contributory Payroll for General and Fire members and 24.96% of the City Contributory Payroll for Police members to FWERF, as set by City ordinance. Based on the current composition of the active plan population, the average City rate is approximately 24.47% of the City Contributory Payroll. The ADEC for 2024 is 31.00% of City Contributory Payroll, or $181.5 million, which exceeds the expected City contribution by 6.53% of City Contributory Payroll. As a result, the stated funding objective is not being met.

City Contributory Payroll includes unscheduled overtime for Tier 1 members and does not include unscheduled overtime for Tier 2 members.

Based on the current statutory contribution rates, the funding period on the valuation date, excluding projected Risk-Sharing Contributions and Ad Hoc COLAs, is 47 years. Incorporating projected Risk-Sharing Contributions and Ad Hoc COLAs, the funding period is 32 years. The funding period incorporating the projected Risk-Sharing Contributions and Ad Hoc COLAs is the most reasonable estimate for the time until the UAAL is eliminated.

The City Code specifically defines an actuarially determined contribution (ADC) as a contribution "based on a closed 30-year funding of unfunded liabilities." In this context, the ADC is the sum of the anticipated member contributions and the City contributions. Since the City and the members contribute on a different payroll basis, it would not be accurate to add the City and member contribution <u>rates</u> together. As a result, the actuarial valuation will focus on the Actuarially Determined <u>Employer</u> Contribution (ADEC) for purposes of reporting required contribution <u>rates</u> so it is clear which payroll basis is being considered. However, the ADEC will simply be determined as the projected ADC less the anticipated member contributions.

The unfunded actuarial accrued liability (UAAL) of the City Plan increased from $2.26 billion as of December 31, 2022 to $2.30 billion as of December 31, 2023. The UAAL was expected to increase to $2.28 billion as of December 31, 2023 but the plan incurred a net experience loss of $20 million which increased the UAAL to $2.30 billion. The primary sources of the experience changes were a $40.7 million loss on the actuarial valuation of assets and a $19.8 million gain on liabilities.

Additionally, the funded ratio of the City Plan—actuarial value of assets divided by the actuarial accrued liability—increased from 54.8% to 55.1% as of December 31, 2023. The funded status is one of many metrics used to show trends and develop future expectations about the health of a retirement system. The funded status measure itself is not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations or assessing the need for or the amount of future contributions since it does not reflect normal cost contributions, the timing of amortization payments, or future experience other than expected.

Funding Policy and Objectives – Staff Plan

On August 28, 2019, the FWERF Board of Trustees adopted the current funding policy for the Staff Plan. Under the current funding policy, the Total Funding Policy Contribution is determined as the sum of the normal cost, the assumed administrative expenses, and a structured payment towards eliminating the unfunded actuarial accrued liability (UAAL). The payments to the UAAL will be based on layered amortization where each layer is based on a 30-year level-dollar amortization schedule. The Actuarially Determined Employer Contribution (ADEC) is the Total Funding Policy Contribution minus the expected member contributions. The current funding policy directs the employer to contribute the ADEC to the Staff Plan each year.

The Staff Plan receives member contributions of 10.50% of payroll and employer contributions equal to the ADEC, as set by the current funding policy for the Staff Plan. The ADEC for 2024 is $448,856. On an actuarial value of assets basis, the current funding policy should be sufficient to first amortize the UAAL in 26 years.

The unfunded actuarial accrued liability (UAAL) of the Staff Plan decreased from $2,610,417 as of December 31, 2022 to $2,514,789 as of December 31, 2023. The funded ratio of the Staff Plan—actuarial value of assets divided by the actuarial accrued liability—increased from 77.1% to 79.5% as of December 31, 2023. The funded status is one of many metrics used to show trends and develop future expectations about the health of a retirement system. The funded status measure itself is not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations or assessing the need for or the amount of future contributions since it does not reflect normal cost contributions, the timing of amortization payments, or future experience other than expected.

Certification

All of our work conforms with generally accepted actuarial principles and practices, and to the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of, where applicable, the Governmental Accounting Standards Board, the Internal Revenue Code and ERISA.

The signing actuaries are independent of the plan sponsor. Mr. Newton is an Enrolled Actuary, a Fellow of the Society of Actuaries, and a Member of the American Academy of Actuaries. Mr. Detweiler is an Enrolled Actuary, an Associate of the Society of Actuaries, and a Member of the American Academy of Actuaries. They meet the Qualification Standards of the American Academy of Actuaries. Finally, each of the undersigned are experienced in performing valuations for large public retirement systems.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Joseph Newton, FSA, EA, MAAA	Bill Detweiler, ASA, EA, FCA, MAAA
Pension Market Lead and Actuary	Consultant and Actuary

Executive Summary

For years ended December 31

	City Plan		Staff Plan	
	2023	2022	2023	2022
Membership				
• Number of				
- Active members	6,954	6,656	20	22
- Retirees and beneficiaries	5,177	5,037	7	5
- Inactive, vested	539	491	7	7
- Inactive, nonvested	1,533	1,247	3	3
- Total	14,203	13,431	37	37
• Member Contributory Payroll	$ 610,607,668	$ 571,796,707	$ 2,165,806	$ 2,139,526
• Employer Contributory Payroll	585,446,432	556,072,446	2,165,806	2,139,526
Effective Contribution Rates				
• Members (after phase-in)	11.10%	11.14%	10.50%	10.50%
• Employer	24.47%	24.48%	20.72%	22.17%
Actuarially Determined Employer Contribution	$ 181,488,394	$ 175,663,286	$ 448,856	$ 474,278
• % of Employer Contributory Payroll	31.00%	31.59%	20.72%	22.17%
• Amortization Period	25 years	26 years	26 years	27 years
Assets				
• Fair value (FVA)	$ 2,739,641,644	$ 2,576,294,075	$ 9,485,947	$ 8,295,941
• Actuarial value (AVA)	2,827,229,055	2,740,773,791	9,733,370	8,787,499
• Return on fair value	8.9%	-7.9%	8.9%	-7.7%
• Return on actuarial value	5.5%	6.0%	5.7%	6.1%
Actuarial Information on AVA (smoothed)				
• Normal cost % (exclude admin)	15.54%	15.86%	20.26%	21.31%
• Total normal cost	$ 94,888,432	$ 90,686,958	$ 438,792	$ 455,933
• Actuarial accrued liability	5,130,222,737	4,998,115,041	$ 12,248,159	$ 11,397,916
• Unfunded actuarial accrued liability (UAAL)	2,302,993,682	2,257,341,250	$ 2,514,789	$ 2,610,417
• Funded ratio	55.1%	54.8%	79.5%	77.1%
Actuarial Information on FVA				
• Unfunded actuarial accrued liability (UAAL)	$ 2,390,581,093	$ 2,421,820,966	$ 2,762,212	$ 3,101,975
• Funded ratio	53.4%	51.5%	77.4%	72.8%

Actuarial Assumptions and Methods: City Plan

The assumptions and methods applied in this actuarial valuation were adopted by the Board of Trustees on December 20, 2023, based on the experience investigation that covered the four-year period from January 1, 2019, through December 31, 2022. In accordance with the Administrative Rules of FWERF, all actuarial assumptions and methodologies must be adopted by the Board upon the advice of the Actuary.

I. Valuation Date

The valuation date is December 31 of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

II. Actuarial Cost Method

The actuarial valuation is used to determine the adequacy of the current City contribution rate, describe the current financial condition of FWERF, analyze changes in the condition of FWERF, and provide various summaries of the data.

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method. Under this method, the first step is to determine the contribution rate (level as a percentage of pay) required to provide the benefits to each member, or the normal cost rate. The normal cost rate consists of two pieces: (i) the member's contribution rate, and (ii) the remaining portion of the normal cost rate which is the employer's normal cost rate. Further, the total normal cost was determined using the "replacement life" application of EAN where the normal cost is based on each member's current benefit structure as though it has always been in place.

The Unfunded Actuarial Accrued Liability (UAAL) is the liability for future benefits which is in excess of (i) the actuarial value of assets, and (ii) the present value of future normal costs. The employer contribution provided in excess of the employer normal cost is applied to amortize the UAAL.

The projected funded status and the ADEC are calculated based on the assumption that: (a) future market earnings, net of investment-related expenses, will equal 7.00% per year, (b) there will be no liability gains/losses or changes in assumptions, (c) active members who leave employment will be replaced by new entrants each year such that the Member Contributory Payroll grows at the same rate as the payroll growth assumption, and (d) contributions will remain the same percentage of payroll as described in the Appendix titled Summary of Plan Provisions.

The Entry Age actuarial cost method is an "immediate gain" method (i.e., experience gains and losses are separately identified as part of the UAAL). However, they are amortized over the same period applied to all other components of the UAAL.

III. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment returns in excess of (less than) expected investment income. Offsetting unrecognized gains and losses are immediately recognized, with the shortest remaining bases recognized first and the net remaining bases continuing to be recognized on their original timeframe. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). In no event will this amount exceed 120% of market value or be less than 80% of market value.

IV. Actuarial Assumptions

Investment Return: 7.00% per year, net of investment-related expenses (composed of an assumed 2.50% inflation rate and a 4.50% real rate of return).

Mortality Decrements:
Pre-retirement
PubG-2010 Employee Mortality Table for General Employees and PubS-2010 Employee Mortality Table for Police Officers and Firefighters. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates from the MP-2020 tables.

Healthy Annuitants
PubG-2010 Healthy Retiree Mortality Table for General Employees and PubS-2010 Healthy Retiree Mortality Table for Police Officers and Firefighters. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates from the MP-2020 tables. The mortality for all surviving beneficiaries will be based on the PubG-2010 Healthy Retiree Mortality Table.

Disabled Annuitants
PubG-2010 Disability Mortality Table for General Employees and PubS-2010 Disability Mortality Table for Police Officers and Firefighters. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates from the MP-2020 tables.

In Line of Duty Death
The percentage of pre-retirement deaths assumed to be in the line of duty are:

General Employees:	0%
Police Officers:	10%
Firefighters:	10%

Service Retirement Decrements:

Members Who Reach 80 Points Before Age 65
The following rates reflect the member's expected departure from active service and are applied based on years since first becoming eligible for Normal Retirement:

Year of Eligibility	General Employees	Police Officers	Firefighters
1st	30%	15%	10%
2nd	15	10	5
3rd	20	10	10
4th	25	20	10
5th	25	30	25
6th	25	40	40
7th	30	40	40
8th	30	40	40
9th	30	40	40
10th	100	100	100

Tier II General Employees who reach 80 points (age plus years of eligibility service) prior to age 55 will have their retirement rate increased by 20% in their first year of eligibility.

Members Who Do Not Reach 80 Points Before Age 65
The following rates reflect the member's expected departure from active service and are applied based on the member's age:

Age	General Employees	Police Officers	Firefighters
65-74	35%	100%	100%
75+	100	100	100

Early (Reduced) Retirement
Police Officers and Firefighters have zero assumed probability of retiring prior to eligibility for Normal (Unreduced) Retirement. The age-based rates at right apply for General Employees:

Age	General Employees
50-56	1.5%
57-58	2.5
59-61	3.5
62	8.0
63-64	2.5

Deferred Retirement Option Program (DROP)
Every member who reaches Normal (Unreduced) Retirement eligibility prior to age 65 is assumed to enter DROP, leave active service in accordance with the assumed retirement rates, and have participated in DROP for the maximum possible period upon departure from active service. Members are assumed to take an immediate distribution of their entire DROP balance at retirement.

Inactive Vested Participants
Members who terminate with a vested benefit are assumed to choose the most valuable option available to them at the time of termination: withdrawal of contributions or deferred annuity. Dependents of vested members that die prior to reaching Normal Retirement are assumed to elect a withdrawal of contributions.

Disability Retirement Decrements:
Disability Rates
Rates for males and females at selected ages are shown at right:

Age	Rate
20	0.005%
25	0.006
30	0.009
35	0.013
40	0.018
45	0.027
50	0.044
55	0.076
60	0.100

In Line of Duty Disability
The percentage of disability retirements assumed to be in the line of duty are:

General Employees: 10%
Police Officers: 70%
Firefighters: 15%

Termination Decrements for Reasons Other Than Death or Retirement:
Withdrawal Rates
Service-based rates shown at right apply. All rates of termination are zero for members eligible for Normal Retirement.

Years of Service	General Employees	Police Officers	Firefighters
0	22.00%	7.70%	3.00%
1	16.00	2.20	0.50
2	15.00	1.98	0.50
3	14.00	1.76	0.50
4	13.00	1.65	0.50
5	12.00	1.54	0.50
6	11.00	1.43	0.50
7	10.00	1.32	0.50
8	9.00	1.21	0.50
9	8.00	1.10	0.50
10	7.00	1.10	0.50
11	6.00	1.10	0.50
12	5.00	1.10	0.40
13	4.00	1.10	0.40
14	3.00	1.10	0.40
15	2.00	1.10	0.40
16	1.00	1.10	0.40
17	1.00	0.66	0.40
18	1.00	0.66	0.40
19	1.00	0.66	0.40
20+	1.00	0.66	0.00

City Actuarial Assumptions CONTINUED

Salary Increases: Increases are assumed to occur at the beginning of the valuation year and vary by employee group. Salary increases include an underlying inflation component of 2.50% and a productivity component of 0.75% for police officers and firefighters.

Years of Service	General Employees	Police Officers	Firefighters
0	6.25%	28.25%	28.25%
1	6.05	18.25	18.25
2	5.85	8.25	8.25
3	5.65	8.25	9.75
4	5.45	8.25	9.75
5	5.25	5.75	5.75
6	5.05	4.50	3.25
7	4.85	4.50	3.25
8	4.65	4.50	4.75
9	4.45	4.50	4.75
10	4.25	4.50	3.25
11	4.05	4.50	3.25
12	3.85	4.50	3.25
13	3.65	4.50	4.75
14	3.65	5.75	4.75
15	3.65	5.75	3.25
16	3.65	5.75	3.25
17	3.65	5.75	3.25
18	3.65	4.50	3.25
19+	3.40	3.25	3.25

Valuation Payroll is the expected Regular Earnings for the calendar year following the valuation date. It is generally based on the actual pay for the prior year and increased with one year of expected salary increase.

Overtime Pay: Pay for Blue Service benefits for the upcoming year is based on the Valuation Payroll and increased by the following loads to account for unscheduled overtime pay:

General Employees: 3.50%
Police Officers: 7.50%
Firefighters: 25.00%

Average Earnings Overtime Load: Blue Service benefits are loaded by the following percentages to account for higher-than-usual overtime worked during the final average earnings period:

General Employees: 0.00%
Police Officers: 2.00%
Firefighters: 6.00%

Sick Leave Service Conversions: Valued explicitly based on the data provided.

Cost-of-Living Adjustments (COLA): Members who have the Guaranteed 2% COLA are assumed to receive a 2% increase of their base pension amount. The open group projection associated with this valuation incorporates the provisions of the Conditional Ad Hoc COLA and the liability associated with future expected Conditional Ad Hoc COLAs.

Administrative Expenses: $6,300,000 for 2024. This amount is reviewed annually based on input from FWERF staff.

Payroll Growth: Member Contributory Payroll is assumed to grow at 3.00% per year. Future City Contributory Payroll incorporates the expected transition of the City contributing on Earnings with Overtime for Tier I members to the City contributing on Regular Earnings for Tier II members. As a result, the City Contributory Payroll is expected to increase by approximately 2.9% over the next 30 years.

Marital Assumptions: 80% of male members and 60% of female members are assumed to be married. Male member is assumed to be four years older than female beneficiary; and female member is assumed to be the same age as male beneficiary.

Decrement Timing: All decrements – mortality, service retirement, disability retirement, and termination of employment for reasons other than death or retirement – are assumed to occur at the middle of the valuation year.

Census Data and Assets

- The valuation was based on members of FWERF as of the actuarial valuation date and does not take into account future members.
- All census data was supplied by FWERF and was subject to reasonable consistency checks.
- There were data elements that were modified for some members as part of the valuation in order to make the data complete. However, the number of missing data items was immaterial.
- Asset data was supplied by FWERF.

Actuarial Model: This report was prepared using ProVal's valuation model, a software product of Winklevoss Technologies. We are relying on the ProVal model. We performed tests of the ProVal model with this assignment and made a reasonable attempt to understand the developer's intended purpose of, general operation of, major sensitivities and dependencies within, and key strengths and limitations of the ProVal model. In our professional judgment, the ProVal valuation model has the capability to provide results that are consistent with the purposes of the valuation.

Actuarial Assumptions and Methods: Staff Plan

The assumptions and methods applied in this actuarial valuation were adopted by the Board of Trustees on December 20, 2023, based on the experience investigation that covered the four-year period from January 1, 2019, through December 31, 2022.

I. Valuation Date

The valuation date is December 31 of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

II. Actuarial Cost Method

The actuarial valuation is used to determine the employer contributions, describe the current financial condition of the Staff Plan, analyze changes in the condition of the Staff Plan, and provide various summaries of the data.

The actuarial valuation uses the Entry Age Normal actuarial cost method. Under this method, the first step is to determine the contribution rate (level as a percentage of pay) required to provide the benefits to each member, or the normal cost rate. The normal cost rate consists of two pieces: (i) the member's contribution rate, and (ii) the remaining portion of the normal cost rate which is the employer's normal cost rate. The total normal cost rate is based on the plan provisions that apply to each individual member.

The Unfunded Actuarial Accrued Liability (UAAL) is the liability for future benefits which is in excess of (i) the actuarial value of assets, and (ii) the present value of future normal costs. The employer contribution provided in excess of the employer normal cost is applied to amortize the UAAL.

The funding period is the earliest date that the UAAL is expected to be less than or equal to zero based on the UAAL amortization schedule.

The Entry Age actuarial cost method is an "immediate gain" method (i.e., experience gains and losses are separately identified as part of the UAAL). However, they are amortized over the same period applied to all other components of the UAAL.

III. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment returns in excess of (less than) expected investment income. Offsetting unrecognized gains and losses are immediately recognized, with the shortest remaining bases recognized first and the net remaining bases continuing to be recognized on their original timeframe. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). In no event will this amount exceed 120% of market value or be less than 80% of market value.

IV. Actuarial Assumptions

Investment Return: 7.00% per year, net of investment-related expenses (composed of an assumed 2.50% inflation rate and a 4.50% real rate of return).

Mortality Decrements:

Pre-retirement
PubG-2010 Employee Mortality Table. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates from the MP-2020 tables.

Healthy Annuitants
PubG-2010 Healthy Retiree Mortality Table. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates from the MP-2020 tables.

Disabled Annuitants
PubG-2010 Disability Mortality Table. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates from the MP-2020 tables.

In Line of Duty Death
0% of pre-retirement deaths are assumed to be in the line of duty.

Service Retirement Decrements:
Members Who Reach 80 Points by Age 65
The rates at right reflect the members' expected departure from active service and are applied based on years since first becoming eligible for Normal Retirement:

Upon reaching age 75, all eligible members are assumed to retire even if they are less than 10 years past first eligibility for Normal Retirement.

Employees hired on or after September 30, 2019, who reach 80 points (age plus years of eligibility service) prior to age 55 will have their retirement rate increased by 20% in their first year of eligibility.

Year of Eligibiility	General Employees
1st	30%
2nd	15
3rd	20
4th	25
5th	25
6th	25
7th	30
8th	30
9th	30
10th	100

Members Who Do Not Reach 80 Points by Age 65
The rates at right reflect the members' expected departure from active service and are applied based on the member's age:

Age	Rate
65-74	35%
75+	100

Staff Actuarial Assumptions CONTINUED

Early (Reduced) Retirement
Members have zero assumed probability of retiring prior to eligibility for Normal (Unreduced) Retirement.

Deferred Retirement Option Program (DROP)
Every member who reaches Normal (Unreduced) Retirement eligibility prior to age 65 is assumed to enter DROP, leave active service in accordance with the assumed retirement rates, and have participated in DROP for the maximum possible period upon departure from active service.

Inactive Vested Participants
Members who terminate with a vested benefit are assumed to choose the most valuable option available to them at the time of termination: withdrawal of contributions or deferred annuity. Dependents of vested members that die prior to reaching Normal Retirement are assumed to elect a withdrawal of contributions.

Disability Retirement Decrements:
Members have zero assumed probability of retirement due to disability.

Termination Decrements for Reasons Other Than Death or Retirement:
Withdrawal Rates
The service-based rates at right apply:

All rates of termination are zero for members eligible for Normal Retirement.

Years of Service	Rate
0	22%
1	16
2	15
3	14
4	13
5	12
6	11
7	10
8	9
9	8
10	7
11	6
12	5
13	4
14	3
15	2
16+	1

Staff Actuarial Assumptions CONTINUED

Salary Increases: Increases are assumed to occur at the beginning of the valuation year. Salary increases include an underlying inflation component of 2.50% and a productivity component of 0.25%.

Years of Service	Rate
0	5.60%
1	5.40
2	5.20
3	5.00
4	4.80
5	4.60
6	4.40
7	4.20
8	4.00
9	3.80
10	3.60
11	3.40
12	3.20
13	3.00
14	3.00
15	3.00
16	3.00
17	3.00
18	3.00
19+	2.75

Contributory Payroll is the expected Regular Earnings for the calendar year following the valuation date and limited by IRC Section 401(a)(17). It is generally based on the anticipated salary for the upcoming year as reported by ERF Staff.

Overtime Pay: Members are not assumed to receive compensation to account for unscheduled overtime pay.

Cost-of-Living Adjustments (COLA): Members who have the Conditional Ad Hoc COLA are assumed to receive 4% annual increases.

Administrative Expenses: $29,000 for 2024. This amount is reviewed annually.

Payroll Growth: Total payroll is assumed to grow at 2.50% per year.

Marital Assumptions: 100% of members are assumed to be married. Male member is assumed to be four years older than female beneficiary; female member is assumed to be the same age as male beneficiary.

Decrement Timing: All decrements – mortality, service retirement, disability retirement, and termination of employment for reasons other than death or retirement – are assumed to occur at the middle of the valuation year.

Staff Actuarial Assumptions CONTINUED

Census Data and Assets

• The valuation was based on members of the Staff Plan as of the valuation date and does not take into account future members.

• All census data was supplied by FWERF staff and was subject to reasonable consistency checks.

• There were data elements that were modified for some members as part of the valuation in order to make the data complete. However, the number of missing data items was immaterial.

• Asset data was supplied by FWERF staff.

Actuarial Model: This report was prepared using ProVal's valuation model, a software product of Winklevoss Technologies. We are relying on the ProVal model. We performed tests of the ProVal model with this assignment and made a reasonable attempt to understand the developer's intended purpose of, general operation of, major sensitivities and dependencies within, and key strengths and limitations of the ProVal model. In our professional judgment, the ProVal valuation model has the capability to provide results that are consistent with the purposes of the valuation.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	% Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
City Plan						
December 31, 2014	$ 2,094,381,418	$ 3,365,534,522	$ 1,271,153,104	62.20%	$ 389,527,874	326.30%
December 31, 2015	2,154,874,311	3,553,200,981	1,398,326,670	60.60	404,303,585	345.90
December 31, 2016	2,209,893,867	3,780,554,300	1,570,660,433	58.50	433,956,825	361.90
December 31, 2017	2,288,265,169	3,956,724,359	1,668,459,190	57.80	460,564,650	362.30
December 31, 2018	2,324,698,216	4,438,326,161	2,113,627,945	52.40	485,336,445	435.50
December 31, 2019	2,400,393,264	4,586,884,563	2,186,491,299	52.30	504,398,247	433.50
December 31, 2020	2,522,727,631	4,745,801,026	2,223,073,395	53.20	511,922,873	434.30
December 31, 2021	2,692,751,013	4,891,936,665	2,199,185,652	55.00	534,927,039	411.10
December 31, 2022	2,740,773,791	4,998,115,041	2,257,341,250	54.80	556,072,446	405.90
December 31, 2023	2,827,229,055	5,130,222,737	2,302,993,682	55.10	585,446,432	393.40
Staff Plan						
December 31, 2014	2,850,030	3,843,480	993,450	74.2%	1,541,518	64.40%
December 31, 2015	3,363,797	4,563,466	1,199,669	73.70	1,639,398	73.18
December 31, 2016	3,878,837	5,072,901	1,194,064	76.50	1,476,583	80.87
December 31, 2017	4,533,706	5,874,460	1,340,754	77.20	1,582,239	84.74
December 31, 2018	5,189,502	7,531,496	2,341,994	68.90	1,494,667	156.69
December 31, 2019	5,746,116	8,519,648	2,773,532	67.40	1,525,870	181.77
December 31, 2020	6,592,997	9,327,374	2,734,377	70.70	1,862,109	146.84
December 31, 2021	7,848,613	10,375,055	2,526,442	75.60	2,115,114	119.40
December 31, 2022	8,787,499	11,397,916	2,610,417	77.10	2,139,526	122.00
December 31, 2023	9,733,370	12,248,159	2,514,789	79.50	2,165,806	116.10

Development of Actuarial Value of Assets: City Plan

As of December 31, 2023

Fair Value of Assets at the beginning of the year	$ 2,576,294,075
Net New Investments	
A. Contributions	231,470,466
B. Disbursements	(293,972,415)
C. Subtotal	(62,501,949)
Fair Value of Assets at the end of year	$ 2,739,641,644
Net Earnings (3-1-2c)	225,849,518
Assumed Rate of Return	7.00%
Expected Return	178,153,017
Excess Return	47,696,501
Development of amounts to be recognized as of December 31, 2023	

Period End	Deferrals of Excess(Shortfall) Investment Income	Offsetting of Gains/ (Losses)	Net Deferrals Remaining	Years Remaining	Recognized for this Valuation	Net Deferrals Remaining
December 31, 2019	$ -	$ -	$ -	1	$ -	$ -
December 31, 2020	-	-	-	2	-	-
December 31, 2021	-		-	3	-	-
December 31, 2022	(164,479,716)	47,696,501	(116,783,215)	4	(29,195,804)	(87,587,411)
December 31, 2023	47,696,501	(47,696,501)	-	5	-	-
Total	$ (116,783,215)	$ -	$ (116,783,215)		$ (29,195,804)	$ (87,587,411)

Preliminary Actuarial Value of Assets (3-8)	$ 2,827,229,055
80 Percent of Fair Value	2,191,713,315
120 Percent of Fair Value	3,287,569,973
Actuarial Value of Assets (9 not less than 10 or greater than 11)	$ 2,827,229,055
Actuarial Value as a percentage of Fair Value	103.2%
Estimated Actuarial Value Yield	5.5%

Development of Actuarial Value of Assets: Staff Plan

As of December 31, 2023

Fair Value of Assets at the beginning of the year	$	8,295,941
Net New Investments		
A. Contributions		808,466
B. Disbursements		(373,973)
C. Subtotal	$	434,493
Fair Value of Assets at the end of year	$	9,485,947
Net Earnings (3-1-2c)		757,513
Assumed Rate of Return		7.00%
Expected Return		595,853
Excess Return		161,660
Excess Return on Assets for last four years		

Period End	Deferrals of Excess(Shortfall) Investment Income	Offsetting of Gains/ (Losses)	Net Deferrals Remaining	Years Remaining	Recognized for this Valuation	Net Deferrals Remaining
December 31, 2019	$ -	$ -	$ -	1	$ -	$ -
December 31, 2020	-	-	-	2	-	-
December 31, 2021	-	-	-	3	-	-
December 31, 2022	(491,558)	161,660	(329,898)	4	(82,475)	(247,423)
December 31, 2023	161,660	(161,660)	-	5	-	-
	$ (329,898)	$ -	$ (329,898)		$ (82,475)	$ (247,423)

Preliminary Actuarial Value of Assets (3-8)	$	9,733,370
80 Percent of Fair Value		7,588,758
120 Percent of Fair Value		11,383,136
Actuarial Value of Assets (9 not less than 10 or greater than 11)		9,733,370
Actuarial Value as a percentage of Fair Value		102.6%
Estimated Actuarial Value Yield		5.7%

Actuarial Gain or Loss

For Year Ended December 31, 2023

Calculation of Total Acturarial Gain or Loss		City Plan		Staff Plan
Unfunded Actuarial Accrued Liability (UAAL) for prior year		$ 2,257,341,250		$ 2,610,417
Normal cost for the year (excluding administrative expenses)		90,686,958		455,933
Actual Administrative Expenses		5,969,506		30,000
Actual Contributions		(231,470,466)		(698,928)
Interest at 7.00%				
a On UAAL		$ 158,013,888		$ 182,729
b On Normal Cost		3,382,976		16,720
c On Contributions		(8,101,466)		(24,049)
d Total		$ 153,295,398		$ 175,400
Assumption Change (Gains)/Losses		6,242,574		(20,313)
Plan Changes		-		-
Expected UAAL		2,282,065,220		2,552,509
Actual UAAL		2,302,993,682		2,514,789
Total (Gain)/Loss for the year		$ 20,928,462		$ (37,720)

SOURCE OF GAINS AND LOSSES	% of AAL		% of AAL	
Asset (Gain)lLoss for the year	0.79%	$ 40,709,384	1.00%	$ 116,884
Pay Increases (Less)/Greater than expected	0.30%	(15,271,541)	0.30%	(40,657)
Non-Retired Demographic (Gains)/Losses	0.15%	(7,457,268)	1.40%	(169,320)
Post-Retirement Mortality (Gains)/Losses	0.01%	(502,681)	0.20%	18,789
Other (Gains)/Losses	0.07%	3,450,568	0.30%	36,584
Total (Sum of Items 11 through 15)	0.41%	$ 20,928,462	0.30%	$ (37,720)

Analysis of Normal Cost by Component

As of December 31, 2023 and 2022

	City Plan		Staff Plan	
	2023	**2022**	**2023**	**2022**
Gross Normal Cost				
Retirement Benefits	12.47%	12.93%	13.10%	15.89%
Termination Benefits	2.83%	2.68%	6.99%	5.20%
Death Benefits	0.16%	0.18%	0.17%	0.22%
Disability Benefits	0.08%	0.07%	0.00%	0.00%
Totals	15.54%	15.86%	20.26%	21.31%

Retirees, Beneficiaries, and Disabled Participants Added to and Removed from Rolls

	ADDED TO ROLLS		REMOVED FROM ROLLS		ROLLS-END OF YEAR			
Valuation Date	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowances
City Plan								
December 31, 2014	246	10,347,634	160	3,619,256	3,906	143,316,261	6.6%	36,691
December 31, 2015	259	10,091,083	123	3,230,266	4,042	152,284,728	6.3%	37,676
December 31, 2016	325	15,697,903	115	2,430,574	4,252	167,629,136	9.9%	39,353
December 31, 2017	238	11,397,587	99	2,334,641	4,391	178,611,771	6.7%	40,677
December 31, 2018	283	13,192,872	91	2,299,308	4,583	191,775,783	7.4%	41,845
December 31, 2019	207	8,348,201	111	2,773,120	4,679	199,693,044	4.1%	42,679
December 31, 2020	278	12,468,018	128	3,427,537	4,829	211,070,412	5.7%	43,709
December 31, 2021	221	11,228,199	144	3,684,373	4,906	220,900,172	4.7%	45,027
December 31, 2022	253	12,112,940	122	3,091,235	5,037	232,694,901	5.3%	46,197
December 31, 2023	214	9,473,474	74	2,187,515	5,177	244,393,434	5.0%	47,208
Staff Plan								
December 31, 2018**	1	$ 4,270	-	$ -	1	$ 4,270	0.0%	$ 4,270
December 31, 2019	3	173,378	-	-	4	177,733	4062.4%	44,433
December 31, 2020	0	-	-	-	4	179,635	1.1%	44,909
December 31, 2021	0	-	-	-	4	181,537	1.1%	45,384
December 31, 2022	1	34,032	-	-	5	217,470	19.8%	43,494
December 31, 2023	2	188,038	-	-	7	408,091	87.7%	58,299

**The Fort Worth Employees' Retirement Fund Staff Plan had its first retiree in calendar year 2018.

Solvency Test

Valuation Date	Active and Inactive Members' Contributions	Retirees and Beneficiaries	Active/Inactive Members (Employer's Financed Portion)	Reported Assets	Portions of Accrued Liabilities Covered by Reported Assets		
CITY PLAN							
December 31, 2014	554,657,382	1,579,267,555	1,231,609,585	2,094,381,418	100%	97%	0%
December 31, 2015	589,185,131	1,713,648,693	1,250,367,157	2,154,874,311	100%	91%	0%
December 31, 2016	505,886,072	1,912,833,490	1,361,834,738	2,209,893,867	100%	89%	0%
December 31, 2017	522,640,298	2,056,348,215	1,377,735,846	2,288,265,169	100%	86%	0%
December 31, 2018	522,128,181	2,492,013,634	1,424,184,346	2,324,698,216	100%	72%	0%
December 31, 2019	538,305,419	2,577,229,846	1,471,349,298	2,400,393,264	100%	72%	0%
December 31, 2020	549,298,756	2,729,704,927	1,466,797,343	2,522,727,631	100%	72%	0%
December 31, 2021	568,513,616	2,844,467,721	1,478,955,328	2,692,751,013	100%	75%	0%
December 31, 2022	610,650,039	2,931,141,246	1,456,323,756	2,740,773,791	100%	73%	0%
December 31, 2023	673,753,683	2,989,210,644	1,467,258,410	2,827,229,055	100%	72%	0%
STAFF PLAN							
December 31, 2014	1,378,942	-	2,464,538	2,850,030	100%	100%	60%
December 31, 2015	1,551,657	-	3,011,809	3,363,797	100%	100%	60%
December 31, 2016	1,711,324	-	3,361,577	3,878,837	100%	100%	64%
December 31, 2017	2,000,288	-	3,874,172	4,533,706	100%	100%	65%
December 31, 2018	2,184,114	56,334	5,291,048	5,189,502	100%	100%	56%
December 31, 2019	1,703,296	2,826,643	3,989,709	5,746,116	100%	100%	30%
December 31, 2020	1,900,836	2,792,708	4,633,830	6,592,997	100%	100%	41%
December 31, 2021	2,267,182	2,756,739	5,351,134	7,848,613	100%	100%	53%
December 31, 2022	2,419,521	3,235,275	5,743,120	8,787,499	100%	100%	55%
December 31, 2023	1,952,053	5,880,058	4,416,048	9,733,370	100%	100%	43%

Historical Active Participant Data

City Plan

Valuation Date	Active Count	Average Age	Average Service	Covered Payroll *	Average Salary	Percent Change
12/31/2014	6,198	44.6	11.4	389.528	62,847	2.1%
12/31/2015	6,280	44.6	11.3	404.304	64,380	2.4%
12/31/2016	6,414	44.3	11.1	415.728	64,816	0.7%
12/31/2017	6,579	44.1	10.8	442.445	67,251	3.8%
12/31/2018	6,589	44.2	10.7	494.152	74,997	11.5%
12/31/2019	6,709	44.2	10.7	514.765	76,727	2.3%
12/31/2020	6,515	44.3	11.0	523.486	80,351	4.7%
12/31/2021	6,626	44.2	10.9	548.574	82,791	3.0%
12/31/2022	6,656	44.1	10.8	571.796	85,907	6.9%
12/31/2023	6,954	43.9	10.5	610.608	87,807	6.1%

*Covered payroll in millions.

Staff Plan

Valuation Date	Active Count	Average Age	Average Service	Covered Payroll	Average Salary	Percent Change
12/31/2014	19	49.3	8.5	1,541,518	81,133	-6.9%
12/31/2015	19	47.2	8.7	1,639,398	86,284	12.9%
12/31/2016	18	49.2	9.4	1,476,583	82,032	6.3%
12/31/2017	18	51.3	9.8	1,582,239	87,902	-4.9%
12/31/2018	16	46.8	10.2	1,494,667	93,417	7.2%
12/31/2019	17	46.6	8.8	1,525,870	89,757	6.3%
12/31/2020	18	47.5	9.2	1,862,109	103,451	-3.9%
12/31/2021	19	48.9	9.6	2,115,114	111,322	15.3%
12/31/2022	22	50.8	7.4	2,139,526	93,023	7.6%
12/31/2023	20	50.8	7.2	2,165,806	108,290	16.4%

Black Crowne Night Heron.

Statistical Section

Statistical Information Overview

The objective of the Statistical Section is to provide financial statement users with additional historic perspective, context, and detail to assist in using the information in the Basic Financial Statements, Notes to the Basic Financial Statement, Required Supplementary Information, and Other Supplementary Information to understand and assess the Fund's economic condition. The information contained in the statistical section is divided into two distinct sections, financial trends and participant information. All information was derived from Audited Annual Financial Statements and/or our Benefit Administration System.

Financial Trends
The Financial trends section is intended to assist readers in understanding how the Fund's financial position has changed over time. The Changes in Plan Net Position for the last ten fiscal years presents additions by source, deductions by type, and total change in plan net position for each year. Additions to net position include member and city contributions. In addition to contributions, additions also include earnings for the Fund's investment activities. Deductions from Net Position are primarily benefit payments and refunds paid to participants.

Participant Data
Participant data can be found following the financial data in this section. The schedules include data on member population, age, years of service, and various levels of benefit payment analysis.

Schedule of Changes in Net Position: City Plan

City Plan	2024	2023	2022	2021	2020
Additions					
Employee Contributions	$ 82,240,346	$ 72,322,732	$ 65,593,975	$ 60,281,553	$ 56,250,684
Employer Contributions	167,206,902	148,281,745	137,012,301	128,046,174	124,743,976
Investment Income	423,629,978	218,564,656	(256,764,105)	524,024,718	110,570,539
Total Additions to Plan Net Position	673,077,226	439,169,133	(54,157,829)	712,352,445	291,565,199
Deductions					
Retirement	218,346,213	209,237,733	197,964,463	188,161,116	178,887,438
Disability	4,915,113	5,015,207	5,076,806	5,136,081	5,191,272
Survivors	24,558,091	22,845,611	21,929,298	20,548,531	19,151,120
DROP Payouts	25,705,644	87,580,238	33,667,321	24,372,952	23,236,549
Actuarial Equivalent	106,446	459,328	734,241	575,710	724,957
Refund of Contributions					
Separation	7,228,350	6,149,920	5,759,361	5,044,077	3,590,965
Death	-	-	234,736	143,659	182,217
Depreciation	1,204,994	852,380	100,064	120,844	118,393
Administrative Expenses	7,256,719	6,474,929	6,755,309	5,971,101	5,184,903
Total Deductions from Plan Net Position	289,321,570	338,615,346	272,221,599	250,074,071	236,267,814
Total Change in Plan Net Position	383,755,656	100,553,787	(326,379,428)	462,278,374	55,297,385
Net Position September 30	$ 2,988,369,059	$ 2,604,613,403	$ 2,504,059,616	$ 2,830,439,044	$ 2,368,160,670

City Plan	2019	2018	2017	2016	2015
Additions					
Employee Contributions	$ 40,634,725	$ 37,618,303	$ 35,963,200	$ 33,977,411	$ 32,541,773
Employer Contributions	113,109,911	93,504,064	89,408,134	84,746,991	80,820,598
Investment Income	67,729,548	145,408,403	250,912,773	166,305,791	(20,635,550)
Total Additions to Plan Net Position	221,474,184	276,530,770	376,284,107	285,030,193	92,726,821
Deductions					
Retirement	171,687,119	160,170,170	149,317,259	136,814,999	127,146,361
Disability	5,261,167	5,285,218	5,324,746	5,349,863	5,400,724
Survivors	17,899,384	17,231,458	16,706,717	16,447,307	15,746,605
DROP Payouts	25,734,915	28,978,582	21,871,121	21,903,824	13,397,352
Actuarial Equivalent	920,891	875,608	1,548,691	1,524,938	1,369,546
Refund of Contributions					
Separation	5,517,169	4,439,624	3,793,510	3,618,760	3,952,620
Death	218,439	821,036	49,555	160,187	52,747
Depreciation	122,282	107,178	114,971	113,526	143,219
Administrative Expenses	5,585,108	4,808,157	4,752,442	4,649,611	3,823,331
Total Deductions from Plan Net Position	232,946,474	222,717,031	203,479,012	190,583,015	171,032,505
Total Change in Plan Net Position	(11,472,290)	53,813,739	172,805,095	94,447,178	(78,305,684)
Net Position September 30	$ 2,312,863,285	$ 2,324,335,575	$ 2,270,521,836	$ 2,097,716,741	$ 2,003,269,563

Schedule of Changes in Net Position: Staff Plan

Staff Plan	2024	2023	2022	2021	2020
Additions					
Employee Contributions	$ 358,930	$ 203,740	$ 224,122	$ 328,077	$ 124,619
Employer Contributions	466,434	444,763	482,800	497,821	353,767
Investment Income	1,468,969	685,751	(788,986)	1,400,587	278,161
Total Additions to Net Position	2,294,333	1,334,254	(82,064)	2,226,485	756,547
Deductions					
Retirement	448,131	234,835	199,979	181,061	179,160
Disability	-	-	-	-	-
Survivors	-	-	-	-	-
DROP Payouts	-	-	-	-	-
Actuarial Equivalent	-	-	-	-	-
Refund of Contributions	-	-	-	-	-
Death	-	-	-	-	-
Separation	57,779	54,352	12,636	-	-
Depreciation	494	449	308	342	300
Administrative Expenses	28,134	26,483	27,350	28,538	30,488
Total Deductions from Plan Net Position	534,538	316,119	240,273	209,941	209,948
Total Change in Plan Net Position	1,759,795	1,018,135	(322,337)	2,016,544	546,599
Net Position September 30	$ 10,475,162	$ 8,715,367	$ 7,697,232	$ 8,019,569	$ 6,003,025

Staff Plan	2018	2018	2017	2016	2015
Additions					
Employee Contributions	$ 127,207	$ 131,067	$ 124,339	$ 130,973	$ 126,984
Employer Contributions	241,316	250,059	237,224	249,881	242,270
Investment Income	170,225	303,812	500,246	286,116	(30,772)
Total Additions to Net Position	538,748	684,938	861,809	666,970	338,482
Deductions					
Retirement	55,314	1,780	-	-	-
Disability	-	-	-	-	-
Survivors	-	-	-	-	-
DROP Payouts	140,214	-	-	-	-
Actuarial Equivalent	-	-	-	-	-
Refund of Contributions	-	-	-	-	-
Death	-	-	-	-	-
Separation	-	14,294	35,933	11,754	16,747
Depreciation	288	238	228	196	214
Administrative Expenses	54,161	27,725	14,760	27,374	5,702
Total Deductions from Plan Net Position	249,977	44,037	50,921	39,324	22,663
Total Change in Plan Net Position	288,771	640,901	810,888	627,646	315,819
Net Position September 30	$ 5,456,426	$ 5,167,655	$ 4,526,754	$ 3,715,866	$ 3,088,220

Schedule of Revenue by Source

For the Ten Years Ended September 30

Fiscal Year Ended	Member Contributions	Employer Contributions	Investment Income	Total Revenue
City Plan				
September 30, 2015	$ 32,541,773	$ 80,820,598	$ (20,635,550)	$ 92,726,821
September 30, 2016	33,977,411	84,746,991	166,305,791	285,030,193
September 30, 2017	35,963,200	89,408,134	250,912,773	376,284,107
September 30, 2018	37,618,303	93,504,064	145,408,403	276,530,770
September 30, 2019	40,634,725	113,109,911	67,729,548	221,474,184
September 30, 2020	56,250,684	124,743,976	110,570,539	291,565,199
September 30, 2021	60,281,553	128,046,174	524,024,718	712,352,445
September 30, 2022	65,593,975	137,012,301	(256,764,105)	(54,157,829)
September 30, 2023	72,322,732	148,281,745	218,564,656	439,169,133
September 30, 2024	82,240,346	167,206,902	423,629,978	673,077,226
Staff Plan				
September 30, 2015	126,984	242,270	(30,772)	$ 338,482
September 30, 2016	130,973	249,881	286,116	666,970
September 30, 2017	124,339	237,224	500,246	861,809
September 30, 2018	131,067	250,059	303,812	684,938
September 30, 2019	127,207	241,316	170,225	538,748
September 30, 2020	124,619	353,767	278,161	756,547
September 30, 2021*	328,077	497,821	1,400,587	2,226,485
September 30, 2022	224,122	482,800	(788,986)	(82,064)
September 30, 2023	203,740	444,763	685,751	1,334,254
September 30, 2024*	358,930	466,434	1,468,969	2,294,333

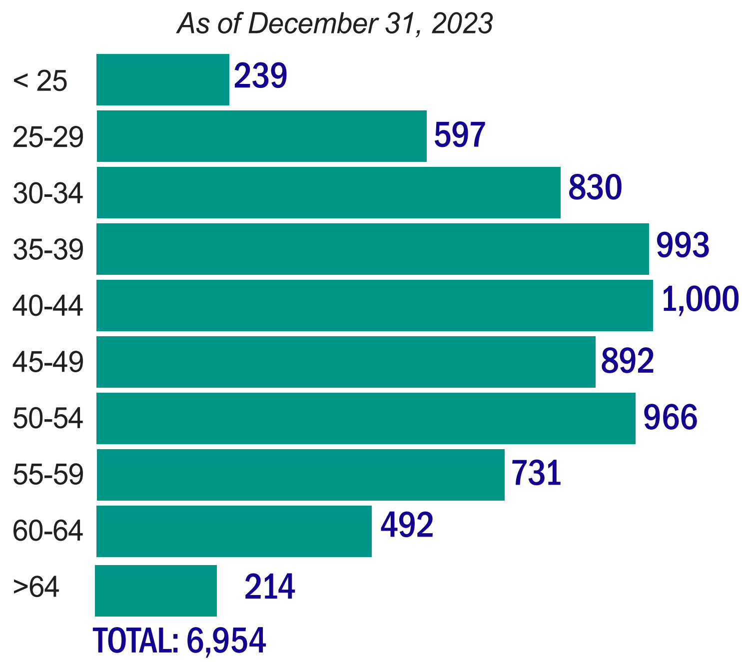
*Member contributions are greatly increased due to employee service purchases.

Mermbership Population

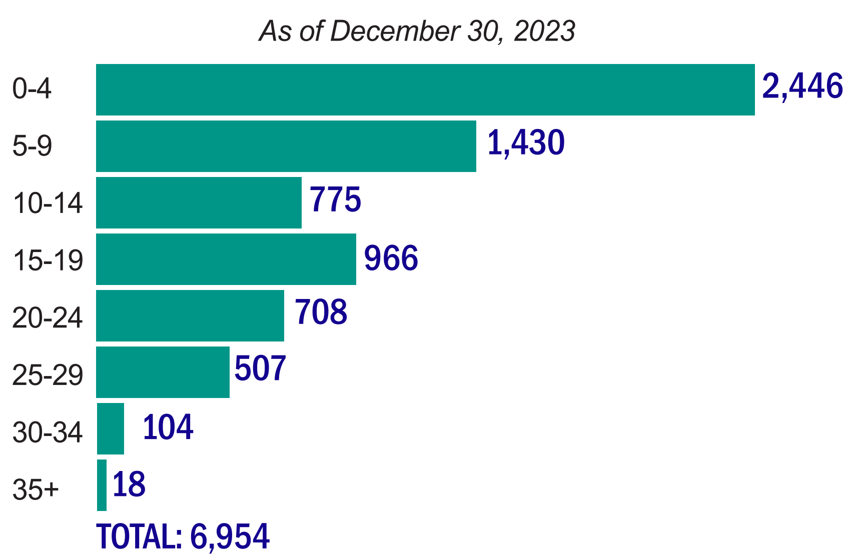
As of September 30

Year Ended	Active Members	Vested Terminated Members	Retired Members and Beneficiaries	Ratio of Non-Actives to Actives
City Plan				
September 30, 2015	6,198	317	3,906	0.68
September 30, 2016	6,280	355	4,042	0.70
September 30, 2017	6,414	363	4,252	0.72
September 30, 2018	6,579	375	4,391	0.72
September 30, 2019	6,589	375	4,583	0.75
September 30, 2020	6,709	398	4,679	0.76
September 30, 2021	6,515	401	4,829	0.80
September 30, 2022	6,626	437	4,906	0.81
September 30, 2023	6,656	491	5,037	0.83
September 30, 2024	6,954	539	5,177	0.82
Staff Plan				
September 30, 2015	19	2	-	0.11
September 30, 2016	18	3	-	0.17
September 30, 2017	18	5	-	0.28
September 30, 2018	18	7	1	0.39
September 30, 2019	16	7	4	0.44
September 30, 2020	17	6	4	0.35
September 30, 2021	18	6	4	0.56
September 30, 2022	19	6	4	0.53
September 30, 2023	22	7	5	0.55
September 30, 2023	20	7	7	0.70

Distribution of Active Participants by Age: City Plan



Distribution of Active Participants by Service: City Plan



Distribution of Retired Members by Type of Benefit: City Plan

As of September 30, 2024

Amount of Monthly Benefit	Number of Retirees	Type of Retirement				
		1	2	3	4	5
$ 1 - 500	171	55	9	72	7	28
$ 501 - 1,000	427	104	3	281	10	29
$ 1,001 - 1,500	402	99	-	253	21	29
$ 1,501 - 2,000	410	103	-	264	27	16
$ 2,001 - 2,500	387	87	-	259	28	13
$ 2,501 - 3,000	372	78	-	269	16	9
$ 3,001 - 3,500	385	67	-	290	20	8
$ 3,501 - 4,000	329	61	-	248	16	4
$ 4,001 - 4,500	279	48	-	220	10	1
$ 4,501 - 5,000	246	28	-	214	3	1
$ 5,001 - 5,500	227	22	-	200	4	1
$ 5,501 - 6,000	241	18	-	222	-	1
$ 6,001 - 6,500	221	13	-	208	-	-
$ 6,501 - 7,000	200	8	-	190	2	-
Over $7,000	874	34	-	831	2	7
	5,171	825	12	4,021	166	147

1 - Surviving Spouse
2 - Dependent Child
3 - Regular Retirement
4 - Disability Retirement
5 - QDRO/Alternate Payee

Schedule of Average Benefit Payments by Years of Service & Final Avg. Salary: City Plan

Retirement Effective Dates	Years of Credited Service						
	0-4	5-9	10-14	15-19	20-24	25-29	30+
Period 01/01/2011 to 12/31/2011							
*Average Monthly Benefits	$0	$838	$1,233	$1,942	$3,758	$5,311	$6,172
Average Final Salary	$0	**	**	**	**	**	**
Number of Active Retirees	0	26	15	22	36	64	15
Period 01/01/2012 to 12/31/2012							
*Average Monthly Benefits	$0	$655	$1,182	$2,405	$3,567	$5,439	$5,410
Average Final Salary	$0	**	**	**	**	**	**
Number of Active Retirees	0	16	13	16	31	64	21
Period 01/01/2013 to 12/31/2013							
*Average Monthly Benefits	$0	$873	$1,222	$2,536	$3,645	$5,439	$6,185
Average Final Salary	$0	**	**	**	**	**	**
Number of Active Retirees	0	26	23	28	32	78	24
Period 01/01/2014 to 12/31/2014							
*Average Monthly Benefits	$0	$770	$1,492	$2,251	$4,146	$5,800	$6,047
Average Final Salary	$0	$49,262	$48,382	$53,096	$69,814	$83,750	$76,030
Number of Active Retirees	0	36	20	26	22	75	22
Period 01/01/2015 to 12/31/2015							
*Average Monthly Benefits	$0	$864	$1,602	$2,263	$3,261	$5,679	$6,312
Average Final Salary	$0	$58,356	$55,376	$54,451	$58,034	$80,967	$72,302
Number of Active Retirees	0	29	20	39	26	74	13
Period 01/01/2016 to 12/31/2016							
*Average Monthly Benefits	$0	$760	$1,744	$2,297	$3,551	$5,941	$6,909
Average Final Salary	$0	$45,589	$61,381	$60,057	$65,422	$83,454	$85,556
Number of Active Retirees	0	26	29	29	33	108	24
Period 01/01/2017 to 12/31/2017							
*Average Monthly Benefits	$0	$1,099	$1,184	$2,302	$3,903	$6,110	$6,576
Average Final Salary	$0	$54,331	$47,988	$57,059	$70,913	$90,146	$80,756
Number of Active Retirees	$0	10	30	37	41	83	16
Period 01/01/2018 to 12/31/2018							
*Average Monthly Benefits	$0	$777	$1,518	$2,240	$3,538	$6,584	$7,198
Average Final Salary	$0	$52,255	$59,151	$58,463	$63,532	$91,902	$88,223
Number of Active Retirees	0	27	28	45	47	90	21
Period 01/01/2019 to 12/31/2019							
*Average Monthly Benefits	$0	$1,071	$1,393	$2,683	$3,516	$5,977	$7,845
Average Final Salary	$0	$64,210	$55,938	$63,321	$67,818	$87,347	$95,520
Number of Active Retirees	0	26	37	28	33	65	12
Period 01/01/2020 to 12/31/2020							
*Average Monthly Benefits	$0	$961	$1,437	$2,771	$4,114	$6,220	$7,087
Average Final Salary	0	$70,079	$51,620	$69,111	$77,107	$94,672	$85,742
Number of Active Retirees	$0	27	32	39	47	65	12

Continued on next page.

Schedule of Average Benefit Payments: City - cont.

Retirement Effective Dates	Years of Credited Service						
	0-4	5-9	10-14	15-19	20-24	25-29	30+
Period 01/01/2021 to 12/31/2021							
*Average Monthly Benefits	$250	$1,006	$1,301	$2,692	$3,989	$6,544	$7,203
Average Final Salary	$14,737	$67,831	$48,931	$66,523	$75,160	$99,755	$87,542
Number of Active Retirees	1	20	22	34	40	75	25
Period 01/01/2022 to 12/31/2022							
*Average Monthly Benefits	$0	$916	$1,696	$2,348	$4,725	$6,937	$8,094
Average Final Salary	$0	$65,176	$61,902	$62,463	$85,202	$105,294	$93,104
Number of Active Retirees	0	31	36	41	51	79	4
Period 01/01/2023 to 12/31/2023							
*Average Monthly Benefits	$0	$908	$1,680	$2,461	$4,242	$5,973	$7,277
Average Final Salary	0	$58,018	$60,450	$63,542	$77,600	$93,571	$90,583
Number of Active Retirees	0	24	20	36	41	81	12
Period 01/01/2024 to 12/31/2024							
*Average Monthly Benefits	$0	$1,044	$1,770	$2,891	$4,531	$6,647	$8,867
Average Final Salary	0	$65,215	$62,871	$72,554	$84,412	$100,620	$89,005
Number of Active Retirees	0	24	18	26	57	83	3

* Monthly benefits are actual benefits received during first year of retirement. These benefits may be higher than initial benefit for those that received COLAs while in DROP or converted DROP balance to a monthly annuity. Balances may be reduced for those that took a lump sum actuarial equivalent or elected a survivor option at the time of retirement.

** Final Average Salary not available for previous years, history will be built during future financial statements.

Schedule of Average Benefit Payments by Years of Service & Final Avg. Salary: Staff Plan

Retirement Effective Dates	Years of Credited Service 0-4	5-15	16-25	26-29	30+
Period 01/01/2018 to 12/31/2018					
*Average Monthly Benefits	-	$ 356	-	-	-
Average Final Salary	-	$ 19,410	-	-	-
Number of Active Retirees	-	1	-	-	-
Period 01/01/2019 to 12/31/2019					
*Average Monthly Benefits	-	$ 4,816	-	-	-
Average Final Salary	-	$ 146,515	-	-	-
Number of Active Retirees	-	3	-	-	-
Period 01/01/20 to 12/31/2020					
*Average Monthly Benefits	-	-	-	-	-
Average Final Salary	-	-	-	-	-
Number of Active Retirees	-	-	-	-	-
Period 01/01/21 to 12/31/2021					
*Average Monthly Benefits	-	-	-	-	-
Average Final Salary	-	-	-	-	-
Number of Active Retirees	-	-	-	-	-
Period 01/01/22 to 12/31/2022					
*Average Monthly Benefits	-	$ 2,836	-	-	-
Average Final Salary	-	$ 226,878	-	-	-
Number of Active Retirees	-	1	-	-	-
Period 01/01/23 to 12/31/2023					
*Average Monthly Benefits	-	$ 4,745	$ 10,925	-	-
Average Final Salary	-	$ 117,813	$ 202,679	-	-
Number of Active Retirees	-	1	1	-	-
Period 01/01/24 to 12/31/2024					
*Average Monthly Benefits	-	$ -	$ 2,706	-	-
Average Final Salary	-	$ -	$ 68,086	-	-
Number of Active Retirees	-	-	1	-	-

* Monthly benefits are actual benefits received during first year of retirement. These benefits may be higher than initial benefit for those that received COLAs while in DROP or converted DROP balance to a monthly annuity. Balances may be reduced for those that took a lump sum actuarial equivalent or elected a survivor option at the time of retirement.

Since the Staff Plan was separated from the City plan in 2007 some members are in both the City Plan and the Staff Plan. This represents only the years as part of the Staff Plan and the benefit paid by the Staff Plan. The portion attributed to the City Plan is counted under the amounts reported for the City Plan.

Schedule of Benefits by Type

As of September 30, 2024

Fiscal Year Ended	Retirement Benefits	Actuarial Equivalent	Disability Benefits	Survivor Benefits	DROP Payments	Total Benefits
City Plan						
September 30, 2015	127,146,361	1,369,546	5,400,724	15,746,605	13,397,352	$ 163,060,588
September 30, 2016	136,814,999	1,524,938	5,349,863	16,447,307	21,903,824	182,040,931
September 30, 2017	149,317,259	1,548,691	5,324,746	16,706,717	21,871,121	194,768,534
September 30, 2018	160,170,170	875,608	5,285,218	17,231,458	28,978,582	212,541,036
September 30, 2019	171,687,119	920,891	5,261,167	17,899,384	25,734,915	221,503,476
September 30, 2020	178,887,438	724,957	5,191,272	19,151,120	23,236,549	227,191,336
September 30, 2021	188,161,116	575,710	5,136,081	20,548,531	24,372,952	238,794,390
September 30, 2022	197,964,463	734,241	5,076,806	21,929,298	33,667,321	259,372,129
September 30, 2023	209,237,733	459,238	5,015,207	22,845,611	87,580,328	325,138,117
September 30, 2024	218,346,213	106,446	4,915,113	24,558,091	25,705,644	273,631,507
Staff Plan						
September 30, 2018	$ 1,780	$ -	$ -	$ -	$ -	$ 1,780
September 30, 2019	55,314	-	-	-	140,214	195,528
September 30, 2020	179,160	-	-	-	-	179,160
September 30, 2021	181,061	-	-	-	-	181,061
September 30, 2022	199,979	-	-	-	-	199,979
September 30, 2023	234,835	-	-	-	-	234,835
September 30, 2024	448,131	-	-	-	-	448,131

*Prior to 2018, no benefits payments were made from the Staff Plan.

Schedule of Average Benefit Payment Amounts

As of September 30, 2024

Year	Number of Retirees	Benefits Paid During the Year	Average Monthly
City Plan			
2015	3,906	163,060,588	3,479
2016	4,042	182,040,931	3,753
2017	4,252	194,768,534	3,817
2018	4,391	212,541,036	4,034
2019	4,583	221,503,476	4,028
2020	4,679	227,191,336	4,046
2021	4,829	238,794,390	4,121
2022	4,906	259,372,129	4,406
2023	5,037	325,138,117	5,379
2024	5,177	273,631,507	4,405
Staff Plan			
2018	1	1,780	356
2019	4	195,528	4,074
2020	4	179,160	3,733
2021	4	181,061	3,772
2022	4	199,979	4,166
2023	5	234,835	3,914
2024	7	448,131	5,335

*Prior to 2018, no benefits payments were made from the Staff Plan.

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Birds of a Feather

A few more great photos from the Fort Worth Audobon Society. Top: A flock of Northern Pintails; left, two Great Egrets; above, a female Wild Turkey;

Photo courtesy Fort Worth Audobon Society.

FORT WORTH EMPLOYEES' RETIREMENT FUND